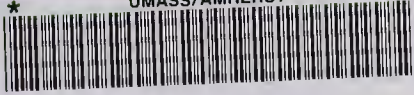


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THE COMMONWEALTH OF MASSACHUSETTS  
GREAT AND GENERAL COURT



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DOCUMENTS  
COLLECTION

JOINT COMMITTEE ON INSURANCE  
ANNUAL REPORT  
1985

SENATOR LINDA J. MELCONIAN  
SENATE CHAIRMAN

REPRESENTATIVE FRANCIS H. WOODWARD  
HOUSE CHAIRMAN





MEMBERS OF THE JOINT COMMITTEE ON INSURANCE

SENATE CHAIR

SENATOR LINDA J. MELCONIAN

HOUSE CHAIR

REPRESENTATIVE FRANCIS H. WOODWARD

SENATE MEMBERS

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FREDERICK E. BERRY  
JOHN P. HOUSTON  
DAVID LOCKE  
MICHAEL LOPRESTI, JR.

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JOSEPH B. MCINTYRE  
ROBERT J. ROHAN  
EMANUEL G. SERRA

INSURANCE COMMITTEE STAFF

CHARLES T. ALAGERO, ESQUIRE  
JEFFREY J. NOURSE  
WILLIAM E.H. BRUCE  
ROBERT D. TIERNEY  
NANCY J. KELLEY-WALSH







INSURANCE COMMITTEE 1985 HEARING SCHEDULE

ROOM 257 10:30 A.M.

February 20	Group
February 25	Life/Property and Casualty/Agents
February 27	Health
March 4	Health
March 6	Auto
March 11	Auto
March 13	Miscellaneous
March 20	Miscellaneous
April 9	Miscellaneous







## INTRODUCTION

The Joint Legislative Committee on Insurance enjoyed a successful legislative year in 1985. A total of 287 bills were heard by the committee. Of that number, 23 were signed into law.

The dominant issue in 1985 was liability insurance. Several factors prompted insurers and reinsurers to flee the liability markets. The areas hardest hit were municipal liability, liquor legal liability, day care liability, and pollution liability. The committee's first response was to protect the citizenry of the Commonwealth by making the various forms of liability insurance available. If a private resolution could not be resolved the committee took legislative action.

Many municipalities throughout the state were unable to purchase insurance. Chapter 802 enables cities and towns to insure themselves through municipal pooling among five or more governmental units. A Joint Underwriting Association was created under Chapter 223 to make liquor legal liability insurance available to alcoholic beverage licensees (restaurants, bars, caterers, and package stores). This legislation did not affect the skyrocketing premiums that were being charged in this line of liability insurance; it simply made the protection accessible. The Committee expects to investigate the liability insurance market to see if the high premiums can be made affordable.

An important issue that will overlap into the 1986 session is medical malpractice insurance. The Committee received two major late file bills, H. 6829 and H. 6809, that attempted to address the medical malpractice insurance problem.



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Rather than rush through legislation at the end of the session, the Committee substituted a measure that served as a showing of good faith to all interested parties. Chapter 671 established 1984-1985 retroactive malpractice rates for a period of four months (January 1, 1986 to May 1, 1986) and ordered an independent audit of the Medical Malpractice Joint Underwriting Association to be conducted by the State Auditor. In the four month period provided by the legislation the Committee will study and deliberate the complex issue and initiate much-needed comprehensive reform.

Two important benefits were added to all accident and health insurance policies in 1985. Chapter 628 states that all policies must include provisions for cardiac rehabilitation. This measure is intended to improve the quality of care to the great number of people who suffer from heart ailments. Legislation to include pregnancy benefits on all policies, Chapter 715, will ensure that pregnant women and teenagers have early access to medical care. This law is a vital step in decreasing the amount of birth-related complications in Massachusetts.

In a move to remove uninsured motor vehicles from the roads of the Commonwealth, Chapter 806 broadens the capabilities of local law enforcement agencies by allowing them to seize the license plates of the uninsured vehicle. By decreasing the number of uninsured motor vehicles in Massachusetts, automobile insurance rates should go down.

The Committee made great strides in 1985. The controversial, innovative, and complex issues that face the Committee in the upcoming session will provide an even greater challenge. The Committee welcomes the opportunity to respond to these issues.





1985 Legislative Highlights

Chapter 628

Chapter 715

Chapter 802

Chapter 806





CHAPTER 628 - AN ACT REQUIRING THAT CERTAIN HEALTH INSURANCE PLANS PROVIDE FOR CARDIAC REHABILITATION EXPENSES.

This law directs that any plan of insurance offered by Blue Cross/Blue Shield or an HMO must provide coverage for cardiac rehabilitation. This legislation is intended to encourage persons to take part in certified cardiac rehabilitation programs. The result of these programs will be a lower rate of reoccurring heart attacks and cardiovascular disease.

CHAPTER 715 - AN ACT TO ENSURE MEDICAL CARE FOR PREGNANT WOMEN AND TEENAGERS.

This law puts into statute provisions of the Insurance Commissioner's recently promulgated regulation (211 CMR 48.00) requiring all private health insurers to include benefits for pregnancy and its related conditions. This legislation affects Blue Cross/Blue Shield, commercial insurers and non-group coverage. Furthermore, this chapter also requires HMO's to provide prenatal, childbirth, and post-partum care.

Chapter 715 is intended to improve the quality of health care for pregnant women and teens. Birth related complications among teenagers is greater in comparison to other age groups. With early access to quality medical care the number of teenage birth-related complications will decrease.

CHAPTER 802 - AN ACT FURTHER AUTHORIZING AGREEMENTS AMONG GOVERNMENTAL UNITS.

This law allows municipalities to insure themselves through pooling. A group self-insurance trust fund would be established to provide



insurance to a group of five or more governmental units. The certification of the trust would come under the jurisdiction of the Commissioner of Insurance.

On their own, cities and towns were having extreme difficulty obtaining insurance. This measure eases the burden and gives governmental units the opportunity to protect themselves.

CHAPTER 806 - AN ACT RELATIVE TO UNINSURED MOTOR VEHICLES.

This law addresses the problem of the uninsured motorist on the public ways of the Commonwealth. Presently a motorist is subject to a fine of up to \$1500 and/or imprisonment for up to one year.

This legislation punishes an uninsured motorist with a fine of \$300 or by imprisonment for not more than one year in a house of correction or both. The municipality that assesses the fine shall be eligible for \$200 of said fine. The remainder shall be retained by the Commonwealth.

The Registrar will be required to issue monthly reports to municipalities as to the last principal place of garaging of uninsured vehicles. The purpose of this provision is to allow municipal police departments the opportunity to seize uninsured vehicles' license plates.

The residual effect of this chapter is to decrease motor vehicle insurance rates in the Commonwealth. Presently, an estimated 144,000 motor vehicles in Massachusetts do not have motor vehicle insurance. This figure represents approximately \$72 million in insurance premiums. By increasing the compliance rate that subsidized figure will decrease; thus, lowering overall rates.





Other Legislation Signed Into Law in 1985

Chapter	62
Chapter	131
Chapter	137
Chapter	138
Chapter	187
Chapter	215
Chapter	223
Chapter	237
Chapter	286
Chapter	321
Chapter	336
Chapter	377
Chapter	464
Chapter	520
Chapter	615
Chapter	622
Chapter	650
Chapter	671
Chapter	745
Chapter	2 Resolves
Chapter	4 Resolves



## Chapter 62

## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

AN ACT INCREASING THE PAYMENT OF CERTAIN DEATH BENEFITS TO MEMBERS OF THE WAKEFIELD POLICE RELIEF ASSOCIATION, INC. UPON THEIR RETIREMENT FROM THE POLICE DEPARTMENT OF THE TOWN OF WAKEFIELD.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

SECTION 1. Chapter 330 of the acts of 1979 is hereby amended by striking out, in line 8, the word "three" and inserting in place thereof the word:- five.

SECTION 2. Said chapter 330 is hereby further amended by striking out the last sentence and inserting in place thereof the following sentence:- Such member shall have the further option to surrender his certificate of membership as aforesaid and receive the sum of twenty-five hundred dollars and a certificate of membership issued which shall entitle his beneficiary to the sum of twenty-five hundred dollars upon said member's death.

SECTION 3. This act shall take effect upon its passage.

House of Representatives, May 15, 1985.

Passed to be enacted,

*George Kucian*

, Speaker.

In Senate, May 16, 1985.

Passed to be enacted,

*William M. Bulger*

, President.

May 23, 1985.

Approved,

at Nine o'clock and 45 minutes, A. M.

*Michael Dukakis*

Governor.





## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

AN ACT RELATIVE TO THE AMOUNT OF CERTAIN RETIREMENT AND DEATH BENEFITS WHICH MAY BE PAID BY THE BEVERLY POLICE RELIEF ASSOCIATION, INCORPORATED.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

SECTION 1. The Beverly Police Relief Association, Incorporated, a corporation duly established under the laws of the commonwealth, is hereby authorized to pay an amount not exceeding four thousand dollars to a member of the association in good standing upon said member's retirement with twenty or more years of service as a permanent officer of the police department of the city of Beverly. Any member of the association with less than twenty years of service who by reason of a disability retires with less than twenty years of service, shall receive one-twentieth of said four thousand dollars for every year served as a member in good standing of said Beverly Police Relief Association, Incorporated.

SECTION 2. The Beverly Police Relief Association, Incorporated is hereby authorized to pay an amount not exceeding one thousand five hundred dollars to the designated beneficiary of a retired or nonretired member of the association upon the death of said member.

SECTION 3. This act shall take effect as of April fourth, nineteen hundred and eighty-three.

House of Representatives, June 25, 1985.

Passed to be enacted,

*George Ferman*

, Speaker.

In Senate, June 26, 1985.

Passed to be enacted,

*William M. Bulger*

, President.

July 2, 1985.

Approved,

*Richard H. Coakley*

Governor.



## Chapter 131

## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

*AN ACT FURTHER REGULATING THE FORM OF CERTAIN INSURANCE POLICIES.*

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

SECTION 1. Subsection 1 of section 2B of chapter 175 of the General Laws, as appearing in the 1984 Official Edition, is hereby amended by striking out clause (b) and inserting in place thereof the following clause:-

(b) It is printed, except for tables, in not less than ten point type, one point leaded.

SECTION 2. Clause Twelfth of section 99 of said chapter 175 is hereby amended by striking out the introductory paragraph, as appearing in the 1984 Official Edition, and inserting in place thereof the following paragraph:-

Said standard form of policy shall be plainly printed and all portions thereof shall be in type of at least ten point, one point leaded in size, and shall be substantively as follows:-.

SECTION 3. Said chapter 175, as so appearing, is hereby further amended by inserting after section 99A the following section:-

Section 99B. The commissioner may approve for use within the commonwealth any form of policy for property insurance which is issued to insure a business, professional or governmental operation, and which does not correspond to the standard fire insurance policy as set forth in section ninety-nine; provided, however, that the approved policy assures to the policyholders and claimants protection no less favorable than they would be entitled to under said section ninety-nine.

House of Representatives, June 25, 1985.

Passed to be enacted,

*George Luverian*

, Speaker.

In Senate, June 26, 1985.

Passed to be enacted,

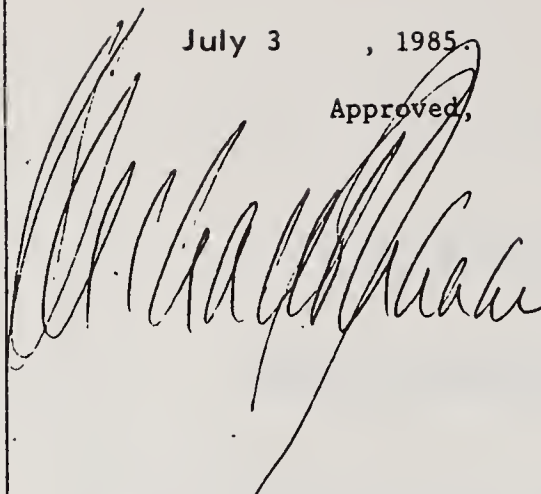
*William M. Bulger*

, President.



July 3 , 1985.

Approved,

 Governor.

## Chapter 138

## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

AN ACT PROVIDING FOR THE DISCLOSURE AND DISSEMINATION OF FIRE INSURANCE INFORMATION.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

Section 32 of chapter 148 of the General Laws is hereby amended by striking out the first two paragraphs, as appearing in the 1984 Official Edition, and inserting in place thereof the following two paragraphs:-

The marshal or police or fire department or other appropriate law enforcement agency may request an insurance company to share information relative to an investigation concerning a loss due to fire of suspicious or incendiary origin, and to furnish other relevant materials, such as insurance policies, policy premium records, and history of previous claims. Said marshal of said departments or agencies shall, upon request, share the information so acquired with said marshal, department, or agency, as appropriate, requesting the same.

If an insurance company has reason to suspect that a fire loss to its insured's real or personal property was caused by incendiary means, the company shall furnish said marshal of said departments or agencies with all relevant material acquired during its investigation of the fire loss, cooperate with said marshal or any of said departments or agencies, and take such action as said marshal or any of said departments or agencies may reasonably request. Any other person may, by obtaining a court order, inspect records of such insurance company pertaining to the policy and the loss. Such insurance company may request access to information gathered by said marshal or any of said departments or agencies in an investigation into such fire loss of suspected incendiary origin.

House of Representatives, June 21, 1985.

Passed to be enacted,

*George Fwerian*

, Speaker.

In Senate, June 26, 1985.

Passed to be enacted,

*William M. Bulger*

, President.

July 3, 1985

Approved,

*Robert M. Healy*

Governor.

## Chapter 187

## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

## AN ACT RELATIVE TO EVIDENCE OF INSURANCE REQUIRED BY MORTGAGEES.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

Chapter 183 of the General Laws, as appearing in the 1984 Official Edition, is hereby amended by adding the following section:-

Section 65. Any mortgagee doing business in the commonwealth who makes in excess of five mortgage loans per year shall accept a written memorandum of a preliminary contract of insurance pursuant to section ninety-eight of chapter one hundred and seventy-five as evidence of insurance from any duly licensed agent, broker or insurance company.

House of Representatives, July 10, 1985.

Passed to be enacted,

*George Luernian*

, Speaker.

In Senate, July 10, 1985.

Passed to be enacted,

*William M. Bulger*

, President.

July 19, 1985.

Approved,

*Richard D. Healey* Governor.





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## Chapter 215

## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-Five*

AN ACT INCREASING THE AMOUNT OF RETIREMENT BENEFIT WHICH MAY BE PAID BY  
THE NEEDHAM FIREMAN'S MUTUAL RELIEF INC.

*Be it enacted by the Senate and House of Representatives in General Court  
assembled, and by the authority of the same, as follows:*

SECTION 1. Chapter 271 of the acts of 1960 is hereby amended by striking  
out, in line 5, the words "such sum, not exceeding one thousand dollars" and  
inserting in place thereof the words:- an amount equal to one-half the death  
benefit of such member.

SECTION 2. The provisions of this act shall apply to persons who retired  
on or after January first, nineteen hundred and eighty.

SECTION 3. This act shall take effect upon its passage.

House of Representatives, July 25, 1985.

Passed to be enacted, *George J. Amarian*, Speaker.

In Senate, July 25, 1985.

Passed to be enacted, *William M. Bulger*, President.

July 31, 1985.

Approved,

at Three o'clock and 00 minutes, P. M.

*Michael Dukakis*  
Governor.



## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

*-AN ACT RELATIVE TO LIQUOR LEGAL LIABILITY INSURANCE.*

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

SECTION 1. As used in this section, and sections two to twelve, inclusive, the following words shall have the following meaning:-

"Association", the joint underwriting association established pursuant to the provisions of this section.

"Commissioner", the commissioner of insurance.

"Licensee", any person, firm, corporation, association or other combination of persons presently holding a valid license for the sale of alcoholic beverages pursuant to chapter one hundred and thirty-eight.

"Liquor legal liability insurance", insurance coverage against the legal liability of the insured and against loss, damage, or expense incident to a claim arising out of death or injury to any person as the result of negligence in the distribution, sale or serving of alcohol by any licensee, or by any other person or entity to whom a policy of liquor legal liability insurance has been issued or an employee, or agent thereof, except that no payment under a policy of liquor legal liability insurance issued by the association shall be made where the cause of action giving rise to a claim is the result of the actions of an intoxicated person which occurred off of and away from the premises of the licensee excluding however, those causes of action arising out of the intoxicated individual's operation of a motor vehicle.

"Net direct premiums", gross direct premiums written on personal injury liability insurance written pursuant to the provisions of chapter ninety and one hundred and seventy-five of the General Laws, including the liability component of multiple paid package policies as computed by the commissioner, less all premiums and dividends credited or returned to policyholders or the unused or unabsorbed portions of premium deposits.

SECTION 2. There is hereby established a temporary, nonexclusive, joint underwriting association consisting of all insurers authorized to write and



H 6508

engage in writing, within the commonwealth on a direct basis, personal injury liability insurance pursuant to the provisions of chapters ninety and one hundred and seventy-five of the General Laws including insurers covering such perils in multiple peril packages policies. Every such insurer shall be a member of the association and shall remain a member as a condition of its authority to continue to transact such kind of insurance within the commonwealth. The purpose of the association shall be to provide liquor legal liability insurance on a self supporting basis.

SECTION 3. The association shall, pursuant to the provisions of this chapter and the plan of operation with respect to liquor legal liability insurance, on behalf of its members, issue or cause to be issued, policies of insurance to applicants, including incidental coverages and subject to limits as specified in the plan of operation, but not to exceed five hundred thousand dollars for each claimant under one policy and one million dollars for all claimants under one policy in any one cause of action to underwrite such insurance and to adjust and pay losses with respect thereto, to appoint service companies to perform these functions; to assume reinsurance from its members; and to assign reinsurance.

SECTION 4. The commissioner shall, after consultation with the joint underwriting association, representatives of the public, the Alcoholic Beverage Control Commission, Massachusetts Package Store Association, Massachusetts Restaurant Association, Western Massachusetts Cafe Owners, Hospitality Industry Association, and other affected individuals and organizations, promulgate a plan of operation consistent with the provisions of this section to become effective and operative no later than thirty days from the effective date of this act. Said plan of operation shall provide for economic, fair and non-discriminatory administration, and for the prompt and efficient provision of liquor legal liability insurance, and shall contain other provisions including, but not limited to, preliminary assessment of all members for initial expenses necessary to commence operations, establishment of necessary facilities, management of the association, assessment of members to defray losses and expenses, commission arrangements, reasonable and objective underwriting standards, acceptance and cession of reinsurance, appointment of servicing carriers and procedures for determining amounts of insurance to be provided by the association. Said plan of operation shall establish specific limits of coverage based upon type of license, gross volume of liquor sales or service,

H 6508.

employee participation in alcohol awareness training programs approved by the governing board of the association, and such other criteria as the directors shall develop. Said plan shall also provide for the offering of an installment payment plan for each policy which either gives the insured the option to pay the annual premium in a minimum of six monthly installments or gives the insured the option to pay the annual premium in a minimum of six monthly installments or gives the insured the option to pay the annual premium in four quarterly installments. Said plan shall also provide for sufficient levels of reserves achieved by the association. Amendments to the plan of operation may be made by the directors of the association subject to the approval of the commissioner, or shall be made at the direction of the commissioner.

SECTION 5. Any licensee, or any person or entity which is engaged in serving alcoholic beverages as an incident of its business but for which where a license is not required, upon proof that the licensee or such person or entity has made a reasonable effort to obtain insurance and has been unable to obtain it, shall be entitled to apply to the association for such coverage. Such application shall be made on behalf of an applicant by a broker or agent authorized by the applicant. If the association determines that the applicant meets the underwriting standards of the association as prescribed in the plan of operation, and there is no unpaid, uncontested premium due from the applicant for prior insurance as shown by the insured having failed to make written objection to premium charges within thirty days after billing, the association, upon receipt of the premium, or such portion thereof as is prescribed in the plan of operation, shall cause to be issued a policy of liquor legal liability insurance for a term of one year. The joint underwriting association shall establish and promulgate rules and regulations for a mandatory offer for insurance, and the criteria pertaining thereto under the provisions of this statute and subject to the approval of the commissioner.

SECTION 6. The rates, rating plans, rating rules, rating classifications and policy forms applicable to the insurance written by the association and statistics relating thereto shall be subject to the provisions of chapter one hundred and seventy-five A of the General Laws. Within such time as the commissioner shall direct, the association shall submit for the approval of the commissioner, in such form as he shall require, an initial filing, of policy forms applicable to liquor legal liability insurance to be written by the association. In the event the commissioner disapproves such initial filing,



the association shall amend such filing, in whole or in part, in accordance with the direction of the commissioner. If the commissioner is unable to approve such filing or amended filing, within the time specified, he shall promulgate the policy forms, and rules to be used by the association in writing such insurance.

Any deficit sustained by the association in any one year shall be recouped, pursuant to the plan of operation and the rating plan then in effect by an assessment upon the policyholders, or a rate increase applicable prospectively, or both; provided however, that in no event shall a deficit incurred by the association be charged directly or indirectly, to any person other than the insured under a policy of liquor legal liability insurance; and provided, further, that for purposes of this sentence, when deficits sustained on account of liquor legal liability coverage are being recouped, the term "policyholders" shall mean all those licensees insured under a policy of liquor legal liability insurance, whether obtained through the joint underwriting association or not.

Effective after the initial year of operation, rates, rating plans and any provision for recoupment through policyholder assessment or premium rate increase, shall be based upon the association's loss and expense experience, and investment income from unearned premium and loss reserves together with such other information based upon such experience as the commissioner may deem appropriate. The resultant premium rates shall be on an actuarially sound basis and shall be calculated to be self-supporting. In the event that sufficient funds are not available for the sound financial operation of the association, pending recoupment as provided hereinbefore, all members shall, on a temporary basis contribute to the financial requirements of the association in the manner hereinafter provided. Any such contribution shall be reimbursed to the members following recoupment as provided in this section. The association shall offer policies on both a claims made and occurrence basis so that applicants may select either policy at their option; provided, however, that the rates charged for both claims made and occurrence policies shall be at rates established on an actuarially sound basis and which are calculated to be self-supporting.

SECTION 7. All insurers which are members of the association shall participate in its writings, expenses, and losses in the proportion that the net direct premiums of each such member, excluding that portion of premiums

attributable to the operation of the association written during the preceding calendar year, bears to the aggregate net direct premiums written in the commonwealth by all members of the association. Each insurer's participation in the association shall be determined annually on the basis of such net direct premiums of each such member, excluding that portion of premiums attributable to the operation of the association written during the preceding calendar year, bears to the aggregate net direct premiums written in the commonwealth by all members of the association. Each insurer's participation in the association shall be determined annually on the basis of such net direct premiums written during the preceding calendar year, bears to the aggregate net direct premiums written in the commonwealth by all members of the association. Each insurer's participation in the association shall be determined annually on the basis of such net direct premiums written during the preceding calendar year, as reported in the annual statements and other reports filed by the insurer with the commissioner. No member shall be obligated in any one year to reimburse the association on account of its proportionate share in the deficit from operations of the association in that year in excess of one per cent of its surplus to policyholders and the aggregate amount not so reimbursed shall be reallocated among the remaining members in accordance with the method of determining participation prescribed in this chapter after excluding from the computation the total net direct premiums of all members not sharing in such excess deficit. In the event that the deficit from operation allocated to all members of the association in any calendar year shall exceed one per cent of their respective surplus to policyholders, the amount of such deficit shall be allocated to each member in accordance with the method of determining participation prescribed in this chapter.

SECTION 8. The association shall be governed by a board of thirteen directors, eight of whom shall be elected by cumulative voting by the members of the association, whose votes in such election shall be weighed in accordance with each member's net direct premiums written during the preceding calendar year. Four directors shall be appointed by the commissioner as representatives of the licensees. One shall be appointed by the commissioner as a representative of the insurance producers. The eight elected directors serving on the first board shall be elected at a meeting of members, or their authorized representatives, which shall be held at a time and place designated by the commissioner. The other five directors serving on the first board shall be appointed on or before the date of such meeting.



SECTION 9. Any applicant to the association, any person insured pursuant to this section, or their representatives, or any affected insurer, may appeal for review to the commissioner within thirty days after any ruling, action, or decision by or on behalf of the association, with respect to those items the plan of operation defines as appealable matters. On receipt of any such appeal, the commissioner shall, after due hearing and investigation enter such finding or decision as he deems shall best meet the purpose of this section.

SECTION 10. Any person aggrieved by any such finding, order or decision and any person aggrieved by any other rule or regulation of the commissioner made pursuant to this chapter may, within thirty days of the filing of any such finding, order, decision, rule or regulation in the office of the commissioner, appeal therefrom to the superior court for the county in which the complainant resides. The court shall, after such notice to the parties as it deems reasonable, hold a summary hearing on such appeal and shall have jurisdiction to review all question of fact and law, and to affirm or reverse such finding or order and to make any appropriate judgment.

SECTION 11. The association shall file in the office of the commissioner, annually on or before the first day of March, a statement which shall contain information with respect to its transactions, condition, operations and affairs during the preceding year. Such statement shall contain such matters and information as are prescribed and shall be in such form as is approved by the commissioner. The commissioner may, at any time, require the association to furnish additional information with respect to its transactions, conditions or any matter connected therewith considered to be material and of assistance, in evaluating the scope, operation and experience of the association.

SECTION 11A. The commissioner of insurance is hereby authorized to make an annual estimated assessment against each insurer who is required under the provisions of this act to be a member of the joint underwriting association relative to liquor legal liability insurance. Said estimated assessment shall be in an amount determined and certified by the commissioner as necessary to cover the costs to be incurred by the division of insurance in carrying out its responsibilities under sections one through twelve, inclusive, of this act. Said estimated assessment shall be made against each such insurer in the same proportion as would apply under the provisions of this act to such insurer's participation in the writings, expenses and losses of the association and shall be paid to the commissioner within thirty days after the date of the

notice from the commissioner of such estimated assessments. The commissioner shall subsequently determine and assess proportionately the amount or actual costs against each such insurer and shall make assessment adjustments for any variation between estimated and actual costs.

SECTION 12. The commissioner shall make an examination into the affairs of the association at least annually. Such examination shall be conducted and the report thereon filed in the manner prescribed in section four of chapter one hundred and seventy-five of the General Laws.

There shall be no liability on the part of, and no cause of action of any nature shall arise against the association, its agents or employees, an insurer, any licensed agent or broker, or the commissioner or his authorized representatives, for any statements made in good faith by them in any reports or communications concerning risks insured or to be insured by the association, or at any administrative hearing conducted in connection therewith.

SECTION 13. Section one to twelve, inclusive, of this act shall expire on December thirty-first, nineteen hundred and eighty-seven.

SECTION 14. Section 24J of chapter 90 of the General Laws, as appearing in section 10 of chapter 373 of the acts of 1982, is hereby further amended by striking out the second paragraph and inserting in place thereof the following paragraph:-

Any information so acquired by the court shall be transmitted to the office of the attorney general, the office of the district attorney for the district in which the establishment is located, and the establishment.

SECTION 15. Chapter 175 of the General Laws is hereby amended by inserting after section 112 the following two sections:-

Section 112A. Liquor legal liability insurance shall provide insurance coverage against the legal liability of the insured and against loss, damage or expense incident to a claim arising out of death or injury to any person as the result of negligence in the distribution, sale, or serving of alcohol by a licensee or an employee, or agent thereof, or any other person or entity to whom a policy of liquor legal liability insurance has been issued, except that no payment shall be made where the cause of action giving rise to a claim is the result of the actions of an intoxicated person which occurred off of and away from the premises of the licensee excluding, however, those causes of action arising out of the intoxicated individual's operation of a motor vehicle.

Section 112B. Effective sixty days after the inception of a liquor legal liability insurance contract, no notice of intention to terminate the contract or, if the contract is a renewal, no notice of intention not to renew the contract shall be effective unless the insurer at least sixty days prior to the effective date of such cancellation or the end of the contract period, as the case may be, mails or delivers to the insured at the address shown on the policy such notice of cancellation or intention not to renew except where the cancellation is for non-payment of premium, or where the insured has lost his license.

SECTION 16. Chapter 175 of the General Laws is hereby further amended by adding after section 195 the following section:-

Section 196. Where a payment is made by an insurer under the terms of a policy of liquor liability insurance, it shall be the duty of the insurer to give notice of said payment to the office of the Attorney General within ten days of payment.

Said notice shall include, but not be limited to the following: the name of the insured, name of claimant(s), amount paid, date(s) or incident for which payment is made.

In the absence of fraud, malice or criminal act, no insurance company, or person who furnished information on its behalf, or any duly licensed insurance agent or broker, through whom the policy was issued shall be liable for damages in a civil action or subject to criminal prosecution for any conduct reasonably undertaken pursuant to the provisions of this section.

SECTION 17. Chapter 231 of the General Laws is hereby amended by inserting after section 60E, the following section:-

Section 60F. Every action for negligence in the distribution, sale or serving of alcoholic beverages to a minor or to an intoxicated person shall be commenced in the superior court department and shall proceed according to the Massachusetts Rules of Civil Procedure unless otherwise provided for by this section.



The plaintiff shall file, together with his complaint, or at such later time not to exceed ninety days thereafter, an affidavit setting forth sufficient facts to raise a legitimate question of liability appropriate for judicial inquiry.

Any party may make a motion for summary judgment pursuant to Rule 56 of the Massachusetts Rules of Civil Procedure. Any such motion shall be heard and decided promptly after issue is joined as to any party, unless the court enlarges the time for discovery. Said enlarged time for discovery shall not exceed ninety days, except on further order of the court.

On or within thirty days of filing a notice of appeal from summary judgment adverse to a plaintiff, the plaintiff shall file a bond in the amount of two thousand dollars for each adverse party on appeal secured by cash or its equivalent with the clerk of the appellate court in which the case is pending. Said bond shall be payable to the named adverse party or parties for costs assessed and attorney fees on appeal, if the appellant does not prevail on appeal. Upon motion filed by the plaintiff, and a determination by a single justice of the appellate court that the plaintiff is indigent, said justice may reduce or eliminate the amount of the bond.

If a judgment is entered for a plaintiff, the court shall report its judgment to the alcoholic beverages control commission.

SECTION 18. Chapter 231 of the General Laws is hereby amended by adding after section 85R the following section:-

Section 85S. In any action for personal injuries, property damage or consequential damages caused by or arising out of the negligent serving of alcohol to an intoxicated person by a licensee properly licensed under chapter one hundred and thirty-eight or by a person or entity serving alcohol as an incident of its business but for which no license is required, no such intoxicated person who causes injuries to himself, may maintain an action against the said licensee or person or entity in the absence of wilful, wanton, or reckless conduct on the part of the licensee or such person or entity.



House of Representatives, July 19, 1985.

Passed to be enacted,

*George A. Kernerian*, Speaker.

In Senate, July 19, 1985.

Passed to be enacted,

*William J. Bulger*, President.

July 31, 1985.

Approved

*William J. Bulger*  
Governor.

## Chapter 237

## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

AN ACT INCREASING THE AMOUNT OF INSURANCE ON DEBTORS OF A BANK, ASSOCIATION, FINANCIAL OR OTHER INSTITUTION.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

Section 133 of chapter 175 of the General Laws, as appearing in the 1984 Official Edition, is hereby amended by striking out clause (c) and inserting in place thereof the following clause:-

(c) a group of persons who at any time are debtors of a bank, association, financial or other institution, including its subsidiary or affiliated institutions, if any, for a loan, or of the vendor of any property for its purchase price, or of a guarantor of the obligation, under an agreement to pay any such indebtedness, or any balance thereof, in instalments over a period of not more than ten years, or who at any time have been granted a policy loan pursuant to a policy provision therefor, written under a policy issued, with or without medical examination, and made payable to such creditor or the assignee of the indebtedness, or the insurance company granting the policy loan, including the insurance company which issues such policy, and insuring the life of each debtor, or the person granted such policy loan, for an amount not exceeding his individual indebtedness or policy loan with interest, and not exceeding twenty-five thousand dollars; provided, however, that not less than one hundred persons shall become insured under such a group policy each year after its date of issue; and provided, further, that no such debtor shall be insured in such a group for a period of more than ten years on account of a debt arising out of said loan or an obligation for the said purchase price.

House of Representatives, July 18, 1985.

Passed to be enacted,

*George Leverman*

, Speaker.

In Senate, *August 12*, 1985.

Passed to be enacted,

*Jon L. Breuninger*

*Acting*  
President.

August 21, 1985.

Approved,

*[Signature]*

Governor.

## Chapter 286

## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

*AN ACT FURTHER REGULATING MOTOR VEHICLE INSURANCE.*

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

Subsection (C) of section 113H of chapter 175 of the General Laws, as appearing in the 1984 Official Edition, is hereby amended by inserting after the second paragraph the following paragraph:-

No insurer acting as servicing carrier of the plan, or their employees or agents, no member company, employee or agent, or any employee of the plan or any official or officer of any law enforcement agency, shall be subject to civil or criminal liability in a cause of action of any kind for furnishing any evidence or information to any specific investigative unit created pursuant to this section, its employees or any law enforcement agency or any other insurer relating to an investigation conducted involving losses under liability or physical damage coverages for motor vehicles.

House of Representatives, September 11, 1985.

Passed to be enacted, *George J. Levonian*, Speaker.

In Senate, September 11, 1985.

Passed to be enacted, *William M. Bulger*, President.

September 18, 1985.

Approved,

*Michael J. Dukakis* Governor.





# THE COMMONWEALTH OF MASSACHUSETTS

## EXECUTIVE DEPARTMENT

STATE HOUSE • BOSTON 02133

MICHAEL S. DUKAKIS  
GOVERNOR

September 18, 1985

The Honorable Michael Joseph Connolly  
Secretary of the Commonwealth  
State House, Room 340  
Boston, MA 02133

Dear Secretary Connolly:

I, Michael S. Dukakis, pursuant to the provisions of Article XLVIII of the Amendments of the Constitution, the Referendum II, Emergency Measures, hereby declare, in my opinion, the immediate preservation of the public peace, health, safety or convenience requires that the attached Act, Chapter 286 of the Acts of 1985, entitled "An Act Further Regulating Motor Vehicle Insurance", the enactment of which received my approval on September 18, 1985, should take effect forthwith.

I further declare that in my opinion said law and the facts constituting the emergency are as follows:

It is in the public interest that this Act take effect immediately in order to promote prompt and thorough investigation of automobile claims.

Sincerely,

*Michael S. Dukakis*  
Michael S. Dukakis  
Governor

MSD:my

OFFICE OF THE SECRETARY,

Boston,

September 18, 1985.

I, Michael Joseph Connolly, Secretary of State, hereby certify that the accompanying statement was filed in this Office by His Excellency the Governor of the Commonwealth of Massachusetts at three o'clock and thirty minutes, P. M., on the above date, and in accordance with Article Forty-eight of the Amendments to the Constitution said Chapter takes effect forthwith, being chapter two hundred and eighty-six of the Acts of nineteen hundred and eighty-five.

*Michael Joseph Connolly*  
MICHAEL JOSEPH CONNOLLY,  
Secretary of State.

## Chapter 321

## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

AN ACT AUTHORIZING THE DOMESTIC INSURANCE COMPANIES TO INVEST IN CERTAIN OBLIGATIONS OF THE AFRICAN DEVELOPMENT BANK.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

Section 63 of chapter 175 of the General Laws, as appearing in the 1984 Official Edition, is hereby amended by striking out paragraph 3A and inserting in place thereof the following paragraph:-

3A. In bonds, notes or obligations issued, assumed or guaranteed by the International Bank for Reconstruction and Development, the Inter-American Development bank, the Asian Development bank or the African Development bank.

House of Representatives, September 17, 1985.

Passed to be enacted, *George J. Lerian*, Speaker.

In Senate, September 18, 1985.

Passed to be enacted, *William M. Bulger*, President.

September 26, 1985.

Approved,

*Michael Dukakis*  
Governor.



## Chapter 336

## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

## AN ACT RELATIVE TO INVESTMENT ADVISORS OF DOMESTIC LIFE INSURANCE COMPANIES.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

The second paragraph of section 64 of chapter 175 of the General Laws, as most recently amended by section 2 of chapter 459 of the acts of 1969, is hereby further amended by striking out the second sentence and inserting in place thereof the following sentence:- The board of directors, or committee thereof, referred to above, may authorize by vote duly recorded in the books of the domestic company one or more officers of the domestic company or of any other company in the investment advisory business which controls, is controlled by, or is under common control with such domestic company to acquire or dispose of investments for such company between meetings of said board, or committee, under such restrictions as the board of directors, or committee, shall deem advisable, and a copy of such authorization shall be filed with the commissioner.

House of Representatives, September 23, 1985.

Passed to be enacted, *George F. Laverne*, Speaker.

In Senate, September 23, 1985.

Passed to be enacted, *William M. Bulger*, President.

October 4, 1985.

Approved,

*Michael Dukakis* Governor.





## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

AN ACT AUTHORIZING THE WINCHESTER POLICE RELIEF ASSOCIATION, INC., TO ARRANGE FOR THIRD PARTY FUNDING OF BENEFITS WHICH IT MAY PROVIDE UNDER ITS BY-LAWS AND TO BROADEN THE RANGE OF BENEFITS WHICH IT MAY PROVIDE TO ITS MEMBERSHIP.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

SECTION 1. The Winchester Police Relief Association, Inc. is hereby authorized to provide for the funding of any part or all of any benefits which it may provide and any expenses which it may incur under its by-laws, by such lawful agreements as the board of directors of the Association shall approve with any entity authorized by the commonwealth to transact insurance business in Massachusetts and any entity authorized by the United States or the commonwealth to conduct banking or other financial business.

SECTION 2. The Winchester Police Relief Association, Inc. is hereby authorized to provide annuities to its members in lieu of death benefits to the survivors of its members. Annuities provided under the authority of this section may include arrangements for payment of any remainder existing at the time of death of a member receiving benefits under such annuity to the survivors of that member.

SECTION 3. The Winchester Police Relief Association, Inc. is hereby authorized to pay expenses incident to meetings of the Association, observances upon the death of members of the Association, and such other occasions as the membership of the Association may from time to time deem appropriate.

SECTION 4. The Winchester Police Relief Association, Inc. is hereby authorized to engage in any lawful activities beneficial to its membership as the membership of the Association may from time to time deem appropriate, and to incur and pay expenses incident to such activities.

SECTION 5. The Winchester Police Relief Association, Inc. is hereby authorized to delegate to the board of directors of the Association the power to take any action which the membership itself might take at any meeting of

the Association at which such action might properly be taken. Such delegations shall be made by such amendments to the by-laws as the membership of the Association shall from time to time deem appropriate. No delegations pursuant to this section shall include power to dissolve the Association, change the purposes of the Association, or amend the by-laws of the Association.

House of Representatives, October 2, 1985.

Passed to be enacted,

*George Luernan*, Speaker.

In Senate, October 2, 1985.

Passed to be enacted,

*William M. Bulger*, President.

October 9, 1985.

Approved,

*Michael Dukakis*, Governor.

## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

AN ACT FURTHER REGULATING THE PAYMENT OF THE PROCEEDS OF CERTAIN INSURANCE POLICIES.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

SECTION 1. Section 97A of chapter 175 of the General Laws, as appearing in the 1984 Official Edition, is hereby amended by striking out the second paragraph and inserting in place thereof the following paragraph:-

Said company shall pay to the city or town any amounts shown on the certificate of municipal liens as outstanding on the date of loss and upon which interest is accruing as of the said date of loss, arising from the provisions of chapters forty, fifty-nine, sixty, eighty, eighty-three and section fifty-eight B to fifty-eight F, inclusive, of chapter one hundred and sixty-four to the extent of the amount of loss payable under the policy and a copy of said transaction shall be sent to the insured and mortgagees named on the policy.

SECTION 2. Clause Fourteenth of section 99 of said chapter 175, as so appearing, is hereby amended by striking out the second paragraph and inserting in place thereof the following paragraph:-

Said company shall pay to the city or town any amounts shown on the certificate of municipal liens as outstanding on the date of loss and upon which interest is accruing as of the said date of loss, arising from the provisions of chapters forty, fifty-nine, sixty, eighty, eighty-three and section fifty-eight B to fifty-eight F, inclusive, of chapter one hundred and sixty-four to the extent of the amount of loss payable under the policy and a copy of said transaction shall be sent to the insured and mortgagees named on the policy.

House of Representatives, October 9, 1985.

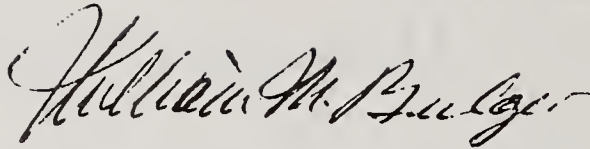
Passed to be enacted,

*George Lemnican*

, Speaker.

In Senate, October 10, 1985.

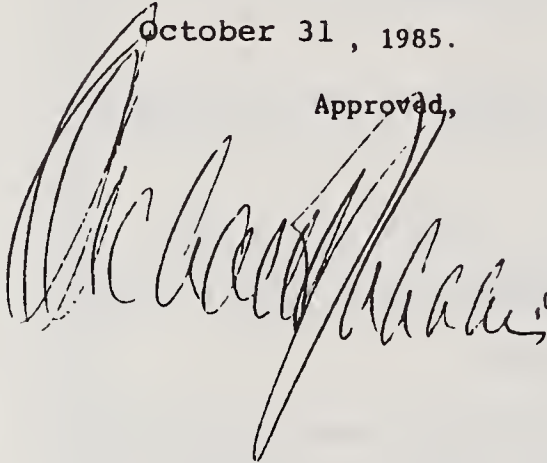
Passed to be enacted,



, President.

October 31, 1985.

Approved,



Governor.



Chapter 520.

## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

AN ACT PROVIDING THAT MENTALLY RETARDED PERSONS SHALL BE COVERED BY CERTAIN INSURANCE POLICIES.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

Section 193T of chapter 175 of the General Laws, as appearing in the 1984 Official Edition, is hereby amended by inserting after the word "blindness", in line 6, the words:- , mental retardation.

House of Representatives, November 14, 1985.

Passed to be enacted,

*George Luennan*

, Speaker.

In Senate, November 14, 1985.

Passed to be enacted,

*William M. Bulger*

, President.

November 23, 1985.

Approved,

*Michael Dukakis*  
Governor.



## Chapter 615

## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

*AN ACT REGULATING CERTAIN HEALTH CARE PLAN RESTRICTIONS.*

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

SECTION 1. Chapter 175 of the General Laws is hereby amended by inserting after section 110J the following section:-

Section 110K. Each employer or other organization which employs or has twenty-five or more employees or members during the full preceding calendar year and which contributes to a health insurance contract providing comprehensive dental benefits, which restricts the covered persons in selecting the providers of dental services to a single provider or limited number of providers but not including a comprehensive dental benefits plan established by a non-profit medical services corporation under chapter one hundred and seventy-six B and available from any participating dentist, shall also offer its employees and their eligible dependents and members and members' eligible dependents at the time such a dental benefits plan is offered or renewed, the option of selecting alternative coverage which permits covered persons to obtain dental services from any licensed dentist.

No employer or other organization shall be required to pay for or contribute towards the provisions of alternative coverage an amount greater than the premium or cost which it pays or contributes to the health insurance contract which limits the number of providers of dental services.

Notwithstanding the provisions of this section, if any of the employees of an employer required by paragraph one to offer employees the option of selecting such alternative dental coverage as described in said paragraph are represented by a certified collective bargaining representative, the offer of the option of selecting such alternative coverage as required by said paragraph one shall first be made to such collective bargaining representative. Said representative shall have the right not to accept such offer, thereby exempting the employer from the provisions of this section. If such offer is accepted by such representative, the offer of the option of selecting such



alternative coverage shall then be made to each employee. Notwithstanding the provisions of this section, a union management trust created pursuant to collective bargaining shall, whenever a restricted dental benefits plan as described in paragraph one is proposed, consider offering such alternative dental coverage as described in said paragraph one, provided, however, said trust may offer the dental plan or plans of its choice.

The commissioner shall promulgate such rules and regulations as are necessary to effectuate the purpose of this section, including procedures for notice to covered persons, employers and other organizations of the provisions of this section.

SECTION 2. Chapter 176G of the General Laws is hereby amended by inserting after section 11 the following section:-

Section 11A. Each employer or other organization which employs or has twenty-five or more employees or members during the full preceding calendar year and which contracts with and contributes to a health maintenance organization for the purpose of providing comprehensive dental benefits to its employees or members, shall, if the health maintenance organization restricts the covered persons in selecting the providers of dental services to a single provider or limited number of providers of dental services, offer its employees and their eligible dependents and members and members' eligible dependents at the time such a contract is offered or renewed, the option of selecting alternative coverage which permits covered persons to obtain dental services from any licensed dentist.

No employer or other organization shall be required to pay for or contribute toward the provision of alternative coverage an amount greater than the premium or cost which it pays or contributes to the health maintenance organization contract which limits the number of providers of dental services.

Notwithstanding the provisions of this section, if any of the employees of an employer required by paragraph one to offer employees the option of selecting such alternative dental coverage as described in said paragraph are represented by a certified collective bargaining representative, the offer of the option of selecting such alternative coverage as required by said paragraph one shall first be made to such collective bargaining representative. Said representative shall have the right not to accept such offer, thereby exempting the employer from the provisions of this section. If such offer is accepted by such representative, the offer of the option of selecting such




alternative coverage shall then be made to each employee. Notwithstanding the provisions of this section, a union management trust created pursuant to collective bargaining shall, whenever a restricted dental benefits contract as described in paragraph one is proposed, consider offering such alternative dental coverage as described in said paragraph one, provided, however, said trust may offer the dental plan or plans of its choice.

The commissioner shall promulgate such rules and regulations as are necessary to effectuate the purpose of this section, including procedures for notice to covered persons, employers and other organizations of the provisions of this section.

House of Representatives, December 16, 1985.

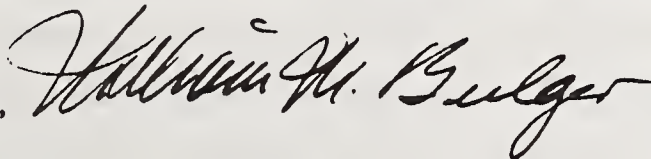
Passed to be re-enacted,



Acting  
, Speaker.

In Senate, December 16, 1985.

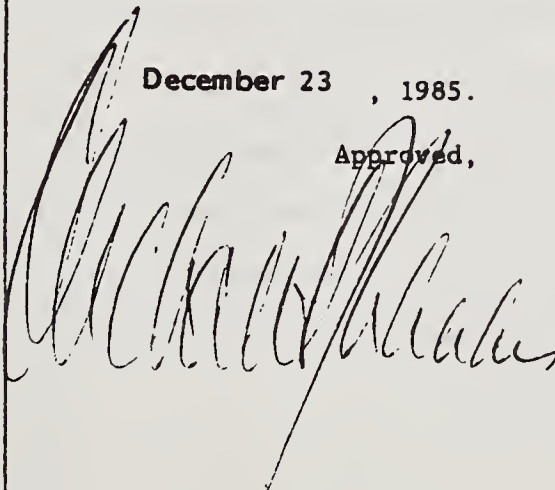
Passed to be re-enacted,



, President.

December 23, 1985.

Approved,



Governor.



## Chapter 622

## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

AN ACT FURTHER REGULATING CERTAIN SEPARATE ACCOUNTS OF CERTAIN INSURANCE COMPANIES.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

SECTION 1. Section 132F of chapter 175 of the General Laws, as appearing in the 1984 Official Edition, is hereby amended by striking out the fifth paragraph.

SECTION 2. The third paragraph of section 132G of said chapter 175, as so appearing, is hereby amended by striking out the first sentence.

SECTION 3. The first paragraph of section 132H of said chapter 175, as so appearing, is hereby amended by striking out the fourth sentence and inserting in place thereof the following sentence:- The provisions of section sixty-six placing limitations on the percentage of the capital stock, certificates of participation or shares of any one corporation, association or trust which a life company shall invest in, acquire or hold, shall not be applicable to purchases for any such separate account.

House of Representatives, December //, 1985.

Passed to be enacted,

*George A. Fierman*

, Speaker.

In Senate, December //, 1985.

Passed to be enacted,

*William M. Bulger*

, President.

December 23, 1985.

Approved,

*Michael Dukakis* Governor.





## Chapter 628

## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

AN ACT REQUIRING THAT CERTAIN HEALTH INSURANCE PLANS PROVIDE FOR CARDIAC REHABILITATION EXPENSES.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

SECTION 1. Chapter 175 of the General Laws is hereby amended by inserting after section 47C the following section:-

Section 47D. Any blanket or general policy of insurance, except a blanket or general policy of insurance which provides supplemental coverage to medicare or other governmental programs, described in subdivision (A), (C) or (D) of section one hundred and ten which provides hospital expense and surgical expense insurance and which is issued or subsequently renewed by agreement between the insurer and the policy holder, within or without the commonwealth, during the period this provision is effective, or any policy of accident or sickness insurance as described in section one hundred and eight which provides hospital expense and surgical expense insurance, except a policy which provides supplemental coverage to medicare or other governmental programs, and which is delivered or issued for delivery or subsequently renewed by agreement between the insurer and the policy holder in the commonwealth, during the period that this provision is effective, or any employees' health and welfare fund which provides hospital expense and surgical expense benefits and which is promulgated or renewed to any person or group of persons in the commonwealth, while this provision is effective, shall provide benefits for the expense of cardiac rehabilitation. Cardiac rehabilitation shall mean multidisciplinary, medically necessary treatment of persons with documented cardiovascular disease, which shall be provided in either a hospital or other setting and which shall meet standards promulgated by the commissioner of public health after reviewing proposals submitted by the Massachusetts Society for Cardiac Rehabilitation, Inc. and after notice and public hearing on the proposed standards. Such standards shall include, but not be limited to, outpatient treatment which is to be initiated within twenty-six weeks after the diagnosis of such disease.

SECTION 2. Chapter 176A of the General Laws is hereby amended by inserting after section 8F the following section:-

Section 8G. Any contract, except contracts providing supplemental coverage to medicare or other governmental programs, between a subscriber and the corporation under an individual or group hospital service plan which shall be delivered or issued or renewed in the commonwealth shall provide, as a basic benefit to all individual subscribers and members within the commonwealth and to all group members having a principal place of employment within the commonwealth, for expense for cardiac rehabilitation. Cardiac rehabilitation shall mean multidisciplinary, medically necessary treatment of persons with documented cardiovascular disease, which shall be provided in either a hospital or other setting and which shall meet standards promulgated by the commissioner of public health after reviewing proposals submitted by the Massachusetts Society for Cardiac Rehabilitation, Inc. and after notice and public hearing on the proposed standards. Such standards shall include, but not be limited to, outpatient treatment which is to be initiated within twenty-six weeks after the diagnosis of such disease.

SECTION 3. Chapter 176B of the General Laws is hereby amended by inserting after section 4E the following section:-

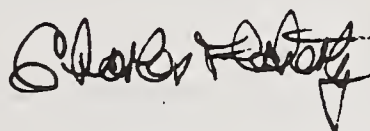
Section 4F. Any subscription certificate under an individual or group medical service agreement, except certificates which provide supplemental coverage to medicare or other governmental programs, which shall be delivered or issued or renewed in the commonwealth shall provide, as a basic benefit to all individual subscribers and members within the commonwealth and to all group members having a principal place of employment within the commonwealth for expense for cardiac rehabilitation. Cardiac rehabilitation shall mean multidisciplinary, medically necessary treatment of persons with documented cardiovascular disease which shall be provided in either a hospital or other setting and which shall meet standards promulgated by the commissioner of public health after reviewing proposals submitted by the Massachusetts Society for Cardiac Rehabilitation, Inc. and after notice and public hearing on the proposed standards. Such standards shall include, but not be limited to, outpatient treatment which is to be initiated within twenty-six weeks after the diagnosis of such disease.

SECTION 4. Section 4 of chapter 176G of the General Laws, as appearing in the 1984 Official Edition, is hereby amended by adding the following sen-

tence:- Such health maintenance contract shall also provide coverage for cardiac rehabilitation as set forth in section forty-seven D of chapter one hundred and seventy-five.

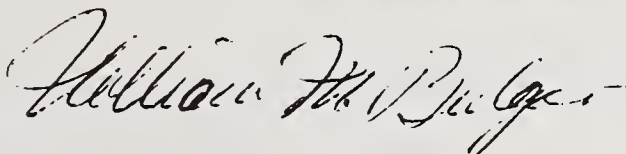
House of Representatives, December 13, 1985.

Passed to be enacted,

 Acting  
Speaker.

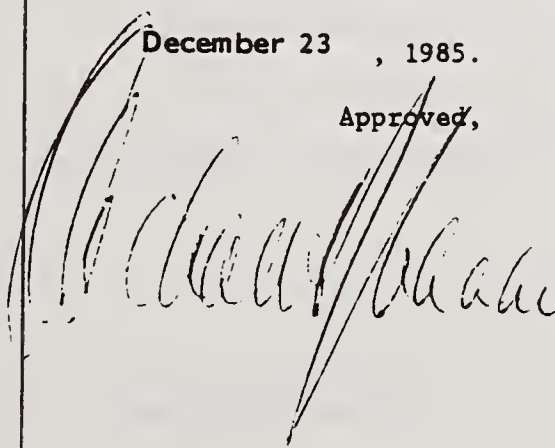
In Senate, December 13, 1985.

Passed to be enacted,

 President.

December 23, 1985.

Approved,

 Governor.







H 6881

## Chapter 650

## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

## AN ACT EXTENDING THE MEDICAL MALPRACTICE INSURANCE JOINT UNDERWRITING ASSOCIATION.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

Section 13 of chapter 362 of the acts of 1975 is hereby amended by striking out the word "eighty-five", inserted by chapter 467 of the acts of 1983, and inserting in place thereof the word:- eighty-seven.

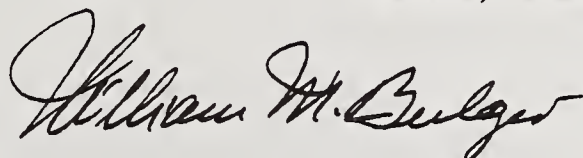
House of Representatives, December 16, 1985.

Passed to be enacted,

 Acting  
Speaker.

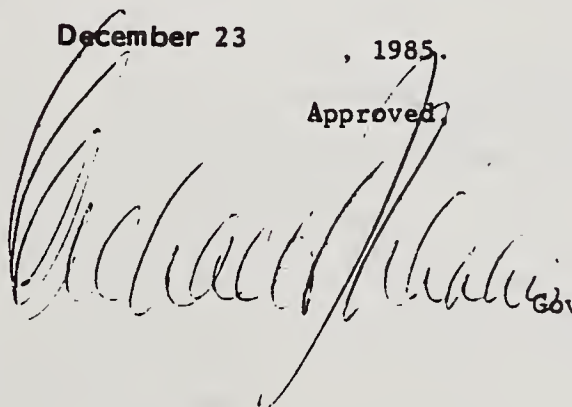
In Senate, December 16, 1985.

Passed to be enacted,

 , President.

December 23, 1985.

Approved,

 Governor.



H 7027

## Chapter 671

## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

## AN ACT RELATIVE TO MEDICAL MALPRACTICE.

*Whereas*, The deferred operation of this act would tend to defeat its purpose, which is, in part, to guarantee the continued affordability of medical malpractice insurance, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience. \_\_\_\_\_

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

SECTION 1. Notwithstanding any provision of the general or special laws to the contrary, premium charges for medical malpractice insurance for physicians and surgeons insured by the medical malpractice joint underwriting association established pursuant to section six of chapter three hundred and sixty-two of the acts of nineteen hundred and seventy-five and by any insurance company with respect to policies issued on or after July first, nineteen hundred and eighty-four, shall be equal to the premium charges contained in the decision of the Commissioner of Insurance dated May eighteenth, nineteen hundred and eighty-four.

Premium charges with respect to policies of medical malpractice insurance for physicians and surgeons issued by the Joint Underwriting Association or any insurance company on or after July first, nineteen hundred and eighty-four shall be subject, effective May first, nineteen hundred and eighty-six, to the provisions of section five A of chapter one hundred and seventy-five A of the General Laws.

SECTION 2. Notwithstanding any provisions of the general or special laws to the contrary, the medical malpractice joint underwriting association established pursuant to section six of chapter three hundred and sixty-two of the acts of nineteen hundred and seventy-five shall be subject to an audit by the State Auditor. The State Auditor shall be reimbursed by the Massachusetts Medical Society for the actual cost of performing said audit.

An audit performed pursuant to this section shall include, but not be limited to, the following matters: an analysis of the ratio of premium

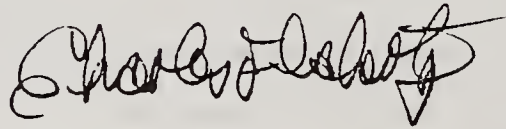
dollars to incurred but not reported losses, management procedures, risk management procedures, the composition of the board of directors, reserve limits and adequacy, reserve methodologies, claims nature and breakdown in accordance with settlements and judgements, general accounting procedures, and overall fiscal soundness.

The State Auditor shall report its findings and recommendations to the Joint Legislative Committee on Insurance on or before April thirtieth, nineteen hundred and eighty-six.

SECTION 3. Section two of this act shall expire on June thirtieth, nineteen hundred and eighty-six.

House of Representatives, December 21, 1985.

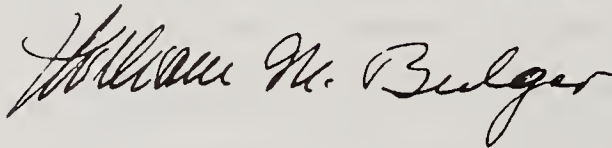
Preamble adopted,



Acting  
Speaker.

In Senate, December 21, 1985.


Preamble adopted,



, President.

House of Representatives, December 21, 1985.

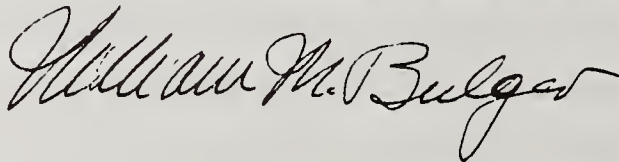
Bill passed to be enacted,



Acting  
Speaker.

In Senate, December 23, 1985.

Bill passed to be enacted,

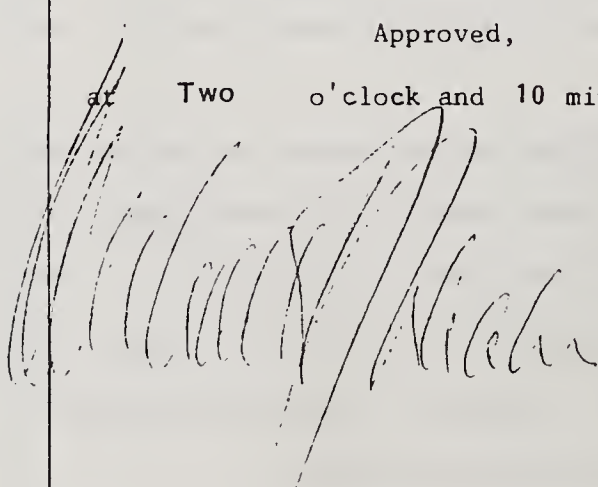


, President.

December 24, 1985.

Approved,

at Two o'clock and 10 minutes, P. M.



Governor.



## Chapter 715

## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

*AN ACT TO ENSURE MEDICAL CARE FOR PREGNANT WOMEN AND TEENAGERS.*

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

SECTION 1. Chapter 175 of the General Laws is hereby amended by inserting after section 47C, as appearing in the 1984 Official Edition, the following section:-

Section 47D. Any blanket or general policy of insurance, except a blanket or general policy of insurance which provides supplemental coverage to medicare or other governmental programs, described in subdivision (A), (C) or (D) of section one hundred and ten which provides hospital expense and surgical expense insurance and which is issued or subsequently renewed by agreement between the insurer and the policyholder, within or without the commonwealth, during the period this provision is effective, or any policy of accident or sickness insurance as described in section one hundred and eight which provides hospital expense and surgical expense insurance, except a policy which provides supplemental coverage to medicare or other governmental programs, and which is delivered or issued for delivery or subsequently renewed by agreement between the insurer and the policyholder in the commonwealth, during the period that this provision is effective, or any employees' health and welfare fund which provides hospital expense and surgical expense benefits and which is promulgated or renewed to any person or group of persons in the commonwealth, while this provision is effective, shall provide benefits for expense of residents of the commonwealth covered under any such policy or plan, for the expense of prenatal care, childbirth and post partum care to the same extent as provided for medical conditions not related to pregnancy.

SECTION 2. Chapter 176A of the General Laws is hereby amended by inserting after section 8F, as so appearing, the following section:-

Section 8G. Any contract, except contracts providing supplemental coverage to medicare or other governmental programs, between a subscriber and the corporation under an individual or group hospital service plan which shall be

delivered or issued or renewed in the commonwealth shall provide, as a basic benefit to all individual subscribers and members within the commonwealth and to all group members having a principal place of employment within the commonwealth, for expense for prenatal care, childbirth and post partum care to the same extent that benefits are provided for medical conditions not related to pregnancy.

SECTION 3. Chapter 176B of the General Laws is hereby amended by inserting after section 4E, as so appearing, the following section:-

Section 4F. Any subscription certificate under an individual or group medical service agreement, except certificates which provide supplemental coverage to medicare or other governmental programs, which shall be delivered or issued or renewed in the commonwealth shall provide, as a basic benefit to all individual subscribers and members within the Commonwealth and to all group members having a principal place of employment within the commonwealth for expense for prenatal care, childbirth and post partum care to the same extent that benefits are provided for medical conditions not related to pregnancy.

SECTION 4. Section 4 of chapter 176G of the General Laws, as so appearing, is hereby amended by adding the following sentence:- Such health maintenance contract shall also provide coverage for prenatal care, childbirth and post partum care as set forth in section forty-seven D of chapter one hundred and seventy-five.

House of Representatives, December 20, 1985.

Passed to be enacted,

*James F. Kelly* Acting  
Speaker.

In Senate, December 20, 1985.

Passed to be enacted,

*William M. Bulger*, President.

December 31, 1985.

Approved,

*Michael Dukakis*  
Governor.



## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

*AN ACT* RELATIVE TO INVESTMENT PRACTICES OF LIFE INSURANCE COMPANIES.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

SECTION 1. Section 63 of chapter 175 of the General Laws, as appearing in the 1984 Official Edition, is hereby amended by inserting after the word "mortgagee," in line 162, the words:- or a mortgagee under paragraph 7B.

SECTION 2. Said section 63 of said chapter 175, as so appearing, is hereby further amended by striking out, in line 176, the word "limitations" and inserting in place thereof the word:- provisions.

SECTION 3. Said section 63 of said chapter 175, as so appearing, is hereby further amended by inserting after paragraph 7A the following paragraph:-

7B. In loans of the same classes as those described in paragraphs 7 and 7A and subject to the provisions therein expressed except that the security for any such loan may be a junior lien upon the real property or leasehold estate securing such loan if the sum of the amounts unpaid on loans secured by prior mortgage liens and the amount of such loan does not exceed (i) seventy-five per cent of the fair market value of such real property or leasehold estate at the time of making such loan if clause (ii) of this paragraph 7B is not applicable or, (ii) ninety per cent of the fair market value thereof if such loan is secured by a junior lien upon residential real property designed for occupancy by not more than four families and if the terms of such loan otherwise meet the requirements of the second sentence of said paragraph 7. Real property and leasehold estates shall not be deemed to be encumbered within the meaning of said paragraph 7 by reason of the existence of prior mortgage liens permitted by this paragraph; provided, however, that, other than such prior mortgage liens, there is no condition or right of reentry or forfeiture under which such junior lien can be cut off, subordinated or otherwise disturbed.

SECTION 4. Paragraph 14A of said section 63 of said chapter 175, as so

appearing, is hereby amended by striking out the first sentence and inserting in place thereof the following sentence:- In the bonds, notes or other evidences of indebtedness issued, assumed or guaranteed by companies incorporated under the laws of the United States, or any state thereof, or of the Dominion of Canada or any province thereof, or of associations or trusts as defined in section one of chapter one hundred and eighty-two, whose net earnings during either of the last two fiscal years next preceding the date of investment and whose average net earnings during the five fiscal years next preceding the date of investment, have been not less than (1) one and one-half times the average fixed charges for said period if such company, association or trust is not engaged in wholesale, retail, installment, commercial or consumer financing, factoring or the small loan business, or is not a bank chartered or incorporated under the laws of the United States or any state thereof; or (2) one and fifteen one-hundredths times the average fixed charges for said period if such company, association or trust is so engaged or is a bank chartered or incorporated under the laws of the United States or any state thereof.

SECTION 5. Clause (2) of paragraph 14C of said section 63 of said chapter 175, as so appearing, is hereby amended by striking out subclause (b) and inserting in place thereof the following subclause:- (b) the net earnings of any lessee under clause (2), or of any such company, association or trust assuming or guaranteeing said lease, during either of the last two fiscal years next preceding the date of investment and the average net earnings of such lessee, or company, association or trust assuming or guaranteeing said lease, during the five fiscal years next preceding the date of investment, have been not less than (1) one and one-half times the average fixed charges for said period if such company, association or trust is not engaged in wholesale, retail, installment, commercial or consumer financing, factoring or the small loan business, or is not a bank chartered or incorporated under the laws of the United States or any state thereof: or (2) one and fifteen one-hundredths times the average fixed charges for said period if such company, association or trust is so engaged or is a bank chartered or incorporated under the laws of the United States or any state thereof.

SECTION 6. The second paragraph of section 64 of said chapter 175, as most recently amended by chapter 336 of the acts of 1985, is hereby further amended by striking out the second sentence and inserting in place thereof the following sentence:- The board of directors, or committee thereof, referred



to above, may authorize by vote duly recorded in the books of the company, one or more officers of the company or of any other person in the investment advisory business to acquire or dispose of investments for such company between meetings of said board or committee, under such restrictions and conditions as said board, or committee thereof, shall deem advisable, and a copy of such authorization shall be filed with the commissioner; provided, however, that for the purpose of this sentence any such person in the investment advisory business, except a company which controls, is controlled by, or is under common control with such domestic company, shall be registered as an investment adviser under the Investment Advisers Act of 1940 enacted by Congress on August twenty-second, nineteen hundred and forty as amended from time to time, or any similar statute enacted in substitution therefor, and have at least one hundred million dollars of assets under management.

SECTION 7. Section 65 of said chapter 175, as appearing in the 1984 Official Edition, is hereby amended by striking out, in line 19, the word "five", and inserting in place thereof the word:- ten.

SECTION 8. Said section 65 of said chapter 175, as so appearing, is hereby further amended by striking out, in line 4 and in line 25, the words "paragraph 7 or paragraph 7A" and inserting in place thereof, in each instance the words:- paragraph 7, 7A or 7B.

SECTION 9. The first paragraph of section 66 of said chapter 175, as so appearing, is hereby amended by striking out the second and third sentences and inserting in place thereof the following two sentences:- No domestic life company shall invest in, acquire or hold directly or indirectly more than twenty-five per cent of the capital stock of any corporation, other than a life company or except as otherwise provided in either section sixty-six C or section sixty-six D; nor, except as otherwise provided in section sixty-six C, shall more than two per cent of its assets be invested in the capital stock of any one corporation, other than a life company, without the approval of the commissioner, and such approval shall be granted only if after making such investment such life company's surplus shall be reasonable in relation to its outstanding liabilities and adequate to its financial needs. The disposition of the property of a domestic life company shall be at all times the responsibility of its board of directors.

SECTION 10. The second paragraph of said section 66 of said chapter 175, as so appearing, is hereby amended by striking out the first sentence and by

inserting in place thereof the following sentence:- Nothing in this section or in section sixty-three shall prevent such a life company from investing or loaning any funds, not required to be invested as provided in section sixty-three, in any manner that the directors may determine; provided, however, that no loan of such funds shall be made to an individual unless it is secured by collateral security; and provided further, that such funds shall not be invested in the purchase of stock or evidence of indebtedness prohibited by the preceding paragraph except as hereinafter provided.

SECTION 11. Said section 66 of said chapter 175, as so appearing, is hereby further amended by striking out the third paragraph and inserting in place thereof the following paragraph:-

Nothing in this section or in section sixty-three shall prevent such a life company from investing or loaning any funds, not required to be invested as provided in section sixty-three, in the transferable certificates of participation or shares, bonds, notes or other evidences or indebtedness whether or not secured by collateral, of an association or trust as defined in section one of chapter one hundred and eighty-two. Any such association or trust shall be treated as if it were a corporation for purposes of this section and of section sixty-six D.

SECTION 12. The second paragraph of section 132F of said chapter 175, as so appearing, is hereby amended by inserting after the word "contracts", in line 11, the words:- or any other policies or contracts.

SECTION 12A. Said second paragraph of said section 132F of said chapter 175, as so appearing, is hereby further amended by striking out in lines 13, 14, 15 and 16, the words:- "which meets the requirements for the tax treatment specified in sections 402(a), 402(c), 402(d), 403(a), or 403(b) of the Internal Revenue Code of 1954, as such sections may at any time be in force".

SECTION 13. The third paragraph of said section 132F of said chapter 175, as so appearing, is hereby amended by adding the following sentence:- If and to the extent so provided under the applicable contracts, that portion of the assets of a separate account equal to the reserves and other contract liabilities with respect to such account shall not be chargeable with liabilities arising out of any other business the life company may conduct.

SECTION 14. Section 132H of said chapter 175, as so appearing, is hereby amended by striking out the second sentence.



SECTION 15. The first paragraph of section 141 of said chapter 175, as so appearing, is hereby amended by adding the following sentence:- This safety fund shall be in addition to any safety fund accumulated from a mutual domestic life company's surplus funds attributable to its nonparticipating business, which funds may be appointed equitably, in the discretion of the company, as part of any annual dividend on participating business.

SECTION 16. Said chapter 175 is hereby further amended by striking out section 149, as so appearing, and inserting in place thereof the following section:-

Section 149. A domestic life company is authorized to issue both participating and nonparticipating policies of life, endowment and accident and sickness insurance, and annuity and pure endowment contracts, but no such company shall issue any such participating policies or contracts which do not by their terms give to the holders thereof full right to participate in the accumulations of said company attributable to such business as provided in section one hundred and forty.

Every domestic mutual and stock life company issuing both participating and nonparticipating policies or contracts shall file with the commissioner each year together with its annual statement for the year a separate calculation of its annual analysis of operations by line of business.

A domestic life company issuing policies or contracts on the nonparticipating plan may provide therein that, in addition to the rate of interest guaranteed by the company to be paid on deferred payments of the proceeds, excess interest may be paid thereon at such rate as the company may annually declare; and the inclusion in any nonparticipating policy or contract of such provision shall not be construed to make the policy or contract participating.

The provisions of sections ninety-four, one hundred and ten, one hundred and thirty-two D and one hundred and thirty-seven relative to membership and voting rights shall not apply to nonparticipating policies and contracts issued by a domestic mutual life company under this section, unless the domestic mutual life company elects to provide membership and voting rights in the policy or contract.

The provisions of this section shall not apply to policies of reinsurance.

SECTION 17. Chapter 175 of the General Laws is hereby amended by inserting after section 146A, as appearing in the 1984 Official Edition, the following section 147:-

Section 147. 1. This section may be referred to and cited as the "Massachusetts Life and Health Insurance Guaranty Association Law".

2. The following words as used in this section, unless the context otherwise requires, shall have the following meanings:

"Account", any of the three accounts created under subsection 6.

"Association", the Massachusetts Life and Health Insurance Guaranty Association created under subsection 6.

"Contractual obligation", any obligation under a policy or contract or portion thereof for which coverage is provided under subsection 4.

"Covered policy or contract", any policy, contract or group certificate within the scope of this section as provided in subsection 4.

"Impaired insurer", a member insurer which, is not an insolvent insurer, and (a) is deemed by the commissioner to be potentially unable to meet its obligations, or (b) is placed under an order of rehabilitation or conservation by a court of competent jurisdiction.

"Insolvent Insurer", a member insurer which is placed under an order of liquidation by a court of competent jurisdiction with a finding of insolvency.

"Member Insurer", any insurer licensed or which holds a certificate of authority to transact in the commonwealth any kind of insurance for which coverage is provided under subsection 4 and any insurer whose license or certificate of authority to transact in the Commonwealth such insurance may have been suspended, revoked, not renewed, or voluntarily withdrawn after the effective date of this section, other than a (a) fraternal benefit society, (b) mutual protective association, (c) mutual assessment company or other entity that operates on an assessment basis, (d) medical service corporation, (e) hospital service corporation, (f) health maintenance organization, (g) dental service corporation, (h) optometric service corporation, (i) mandatory state pooling plan, (j) insurance exchange, (k) savings and insurance bank as defined in section one of chapter one hundred and seventy-eight or other depository underwriting insurance subject to analagous terms and conditions, or (j) any other entity similar to any of the above.

"NAIC", the National Association of Insurance Commissioners or its successor organization.

"Person", any individual, corporation, partnership, association or voluntary organization.

"Premiums", amounts received on covered policies or contracts, less pre-



miums, considerations and deposits returned thereon, and less dividends and experience credits thereon. Premiums does not include any amount received for any policies or contracts or for the portions of any policies or contracts for which coverage is not provided under subdivision paragraph (B) of subsection 4, except for subclause (d) of clause (2) of said paragraph (B) and clause (3) of paragraph (B).

"Published monthly average", the monthly average of the composite yield on seasoned corporate bonds as:- (a) published by Moody's Investors Service, Inc., or any successor thereto, or (b) established by regulation promulgated by the commissioner setting forth a substantially similar average in the event that such monthly average is no longer so published.

"Resident", any person who resides in the commonwealth at the time a member insurer is determined to be an impaired or insolvent insurer and to whom a contractual obligation is owed. A person may be a resident of only one state, which in the case of a person, other than a natural person, shall be its principal place of business.

"Supplemental contract", any agreement entered into for the distribution of policy or contract proceeds.

3. The purpose of this section is to protect, subject to certain limitations, the persons specified in paragraph (A) of subsection 4, against failure in the performance of contractual obligations, under life and health insurance policies and annuity contracts specified in paragraph (B) of said subsection 4, because of the impairment or insolvency of the member insurer that issued the policies or contracts. To provide such protection, an association of insurers, the members of which are subject to assessment, is hereby created to pay benefits and to continue coverages, as limited herein.

4. (A) This section shall provide coverage for the policies and contracts specified in paragraph (B) of this subsection:

(1) To persons who, regardless of where they reside except for non-resident certificate holders under group policies or contracts, are the beneficiaries, assignees or payees of the persons covered under subclause (2), and

(2) To persons who are owners of such policies or contracts, or are insureds or annuitants under such policies or contracts, and who (a) are residents, or (b) are not residents, but only under all of the following conditions: (i) the insurers which issued such policies or contracts are domiciled in the commonwealth, (ii) such insurers never held a license or certificate of

authority in the states in which such persons reside, (iii) such states have a life and health insurance guaranty association, and (iv) such persons are not eligible for coverage by such guaranty association.

(B) (1) This section shall provide coverage to the persons specified in paragraph (A) of this subsection for direct, non-group life, health, annuity, and supplemental policies or contracts, and for certificates under direct group life and health insurance policies or annuity or supplemental contracts issued by member insurers, except as otherwise limited in this section.

(2) This section shall not provide coverage under:-

(a) any portion of a policy or contract not guaranteed by the insurer, or under which the risk is borne by the policy or contract holder;

(b) any policy or contract of reinsurance, other than reinsurance for which assumption certificates have been issued;

(c) any annuity contract or group annuity certificate that is not issued to and owned by an individual, except to the extent of any annuity benefits guaranteed to an individual by the insurer under any such contract or certificate;

(d) any portion of a policy or contract to the extent that the rate of interest on which it is based, (i) averaged over the period of four years prior to the date on which the Association becomes obligated with respect to such policy or contract, exceeds the rate of interest determined by subtracting two percentage points from the published monthly average as averaged for the same four year period, and (ii) on and after the date on which the Association becomes obligated with respect to such policy or contract, exceeds the rate of interest determined by subtracting three percentage points from the published monthly average as most recently available on the date on which the Association becomes obligated with respect to such policy or contract;

(e) any plan or program of an employer, association or similar entity to provide life, health, or annuity benefits to its employees or members to the extent that such plan or program is self-funded or uninsured, including but not limited to benefits payable by an employer, association or similar entity under (i) a Multiple Employer Welfare Arrangement as defined in Section 514 of the Employee Retirement Income Security Act of 1974, as amended; (ii) a minimum premium group insurance plan; (iii) a stop-loss group insurance plan; or (iv) an administrative services only contract;

(f) any portion of a policy or contract to the extent that it provides



dividends or experience rating credits, or provides that any fees or allowances be paid to any person, including the policy or contract holder, in connection with the service to or administration of such policy or contract; and

(g) any policy or contract issued in the Commonwealth by a member insurer at a time when it was not licensed or did not have a certificate of authority to issue such policy or contract in the commonwealth.

(3) The benefits for which the Association may become liable shall in no event exceed the lesser of:

(a) the contractual obligations for which the insurer is liable or would have been liable if it were not an impaired or insolvent insurer, or

(b) with respect to any one life: (i) three hundred thousand dollars in life insurance death benefits, but not more than one hundred thousand dollars in net cash surrender and net cash withdrawal values under life insurance policies; (ii) one hundred thousand dollars in health insurance benefits, including any net cash surrender and net cash withdrawal values; (iii) one hundred thousand dollars in the present value of annuity benefits, including net cash surrender and net cash withdrawal values; but in no event shall the Association's liability exceed three hundred thousand dollars in the aggregate for all life insurance, health insurance and annuity benefits, including net cash surrender and net cash withdrawal values.

(C) The protection provided by this section shall not apply where any guaranty protection is provided, independent of this section, to residents of the commonwealth by laws of the domiciliary state or jurisdiction of an impaired or insolvent insurer.

5. This section shall be liberally construed to effect the purpose under subsection 3 which shall constitute an aid and guide to interpretation.

6. (A) There is created a nonprofit, legal entity to be known as the Massachusetts Life and Health Insurance Guaranty Association. All member insurers shall be and remain members of the Association as a condition of their authority to transact insurance in the commonwealth. The Association shall perform its functions under the plan of operation established and approved under subsection 10 and shall exercise its powers through a board of directors established under subsection 7. For purposes of administration and assessment, the Association shall maintain three accounts:

- (1) the health insurance account;
- (2) the life insurance account; and

(3) the annuity account.

(B) The Association shall be under the immediate supervision of the commissioner.

7. (A) The board of directors of the Association shall consist of not less than five nor more than nine member insurers serving terms as established in the plan of operation. The members of the board of directors shall be selected by member insurers subject to the approval of the commissioner. Vacancies on the board of directors shall be filled for the remaining period of the term by a majority vote of the remaining board members, subject to the approval of the commissioner. To select the initial board of directors, and initially organize the Association, the commissioner shall give notice to all member insurers of the time and place of the organizational meeting. In determining voting rights at the organizational meeting each member shall be entitled to one vote in person or by proxy. If the board of directors is not selected within sixty days after notice of the organizational meeting, the commissioner may appoint the initial members.

(B) In approving selections or in appointing members to the board of directors, the commissioner shall consider, among other things, whether member insurers are fairly represented.

(C) Members of the board of directors may be reimbursed from the assets of the Association for expenses incurred by them as members of the board of directors but shall not otherwise be compensated by the Association for their services.

8. (A) If a member insurer is an impaired domestic insurer, the Association may, in its discretion, and subject to any conditions imposed by the Association that (i) do not defeat the reasonable expectations of the policyholder or contractholder as to the benefits afforded under a policy or contract, (ii) that are approved by the commissioner, and (iii) that are, except in cases of court ordered conservation or rehabilitation, also approved by the impaired insurer:-

(1) guarantee, assume or reinsure, or cause to be guaranteed, assumed, or reinsured, any or all of the policies or contracts of the impaired insurer;

(2) provide such monies, pledges, notes, guarantees, or other means as are proper to effectuate subsection (1) and assure payment of the contractual obligations of the impaired insurer pending action pursuant thereto; or

(3) loan money to the impaired insurer.



(B)(1) If a member insurer is an impaired insurer, whether domestic, foreign or alien, and the insurer is not paying claims in a timely fashion, then subject to the preconditions specified in clause (2) of this paragraph the Association shall, in its discretion, either (a) take any of the actions specified in paragraph (A), subject to the conditions therein, or (b) provide substitute benefits, with respect to covered policies or contracts, in lieu of the contractual obligations of the impaired insurer, solely for: health claims and death benefits, pursuant to paragraph (D); periodic annuity benefit payments; supplemental benefits; and cash withdrawals for policy or contract owners who petition therefor under claims of emergency or hardship in accordance with standards proposed by the Association and approved by the commissioner.

(2) The Association shall be subject to the requirements of clause (1) only if: (a) (i) in the case of an impaired domestic insurer, an order instituting a rehabilitation proceeding has been entered pursuant to section one hundred and eighty B of chapter one hundred and seventy-five; or (ii) in the case of an impaired foreign or alien insurer a petition for rehabilitation or liquidation of the impaired insurer has been filed in a court of competent jurisdiction in its state of domicile by the commissioner of that state;

(b) the laws of the impaired insurer's state of domicile provide that until all payments of or on account of the impaired insurer's contractual obligations by all guaranty associations, along with all expenses thereof and interest on all such payments and expenses, shall have been repaid to the guaranty associations or a plan of repayment by the impaired insurer shall have been approved by the guaranty associations (i) the delinquency proceedings shall not be dismissed; (ii) neither the impaired insurer nor its assets shall be returned to the control of its shareholders or private management; and (iii) it shall not be permitted to solicit or accept new business or have any suspended or revoked license restored.

(c) in the event the impaired insurer is a foreign or alien insurer, (i) it has been prohibited from soliciting or accepting new business in the commonwealth, and (ii) its certificate of authority has been suspended or revoked.

(C) If a member insurer is an insolvent insurer, the Association shall, in its discretion, either:

(1) (a) guaranty, assume or reinsure, or cause to be guaranteed, assumed

or reinsured, the covered policies or contracts of the insolvent insurer; or

(b) assure payment of the contractual obligations of the insolvent insurer; and

(c) provide such monies, pledges, guarantees, or other means as are reasonably necessary to discharge such duties; or

(2) With respect only to life and health insurance policies provide benefits and coverages in accordance with paragraph (D).

(D) (1) When proceeding under subclause (b) of clause (1) of paragraph (B) or clause (2) of paragraph (C), the Association shall, with respect to only life and health insurance policies:

(a) assure payment of benefits for premiums identical to the premiums and benefits, except for terms of conversion and renewability, that would have been payable under the group policies of the insurer for claims incurred not later than the earlier of the next renewal date under such policies or contracts or forty-five days, but in no event for a claim incurred less than thirty days after the date on which the Association becomes obligated with respect to such policies. Notwithstanding the foregoing, the Association may, if it finds the premium rate under a group policy to be inadequate, increase such premium rate in an amount approved by the commissioner.

(b) (i) with respect to individual policies, assure payment of benefits for premiums identical to the premiums and benefits, except for terms of conversion and renewability, that would have been payable under such policies of the insurer, for claims incurred not later than the earlier of the next renewal date, if any, under such policies, or one year from the date on which the Association becomes obligated with respect to such policies, but in any event for claims incurred not later than the thirtieth day after the Association becomes obligated with respect to such policies; and (ii) make diligent efforts to provide all known insureds, or owners, if other than the insureds, and group policyholders with respect to group policies, thirty days notice of the termination of the benefits provided; and (iii) with respect to individual policies, make available to each known insured, or owner if other than the insured, and with respect to an individual formerly insured under a group policy who is not eligible for replacement group coverage, make available substitute coverage on an individual basis in accordance with the provisions of clause (2) of paragraph (D), if such insured or owner had a right under law or under the terminated policy to convert coverage to individual coverage or to



continue an individual policy in force until a specified age or for a specified time, during which the insurer had no right unilaterally to make changes in any provision of the policy or had a right only to make changes in premium by class.

(2) In providing the substitute coverage required under paragraph (D), the Association may offer either to reissue the terminated coverage or to issue an alternative policy. Alternative or reissued policies shall be offered without requiring evidence of insurability, and shall not provide for any waiting period or exclusion that would not have applied under the terminated policy. Any alternative or reissued policy may be reinsured by the Association.

(3) (a) Alternative policies adopted by the Association shall be subject to the approval of the commissioner. The Association may adopt alternative policies of various types for future issuance without regard to any particular impairment or insolvency.

(b) Alternative policies shall contain at least the minimum statutory provisions required in the commonwealth and provide benefits that shall not be unreasonable in relation to the premium charged. The Association shall set the premium in accordance with the table of rates which it shall adopt. The premium shall reflect the amount of insurance to be provided and the age and class of risk of each insured, but shall not reflect any changes in the health of the insured after the original policy was last underwritten.

(c) Any alternative policy issued by the Association shall provide coverage of a type similar to that of the policy issued by the impaired or insolvent insurer, as determined by the Association.

(4) If the Association elects to reissue the insured's terminated coverage at a premium rate different from that charged under the terminated policy, the premium shall be set by the Association in accordance with the amount of insurance provided and the age and class of risk of the insured, and shall be subject to approval by a court of competent jurisdiction.

(5) The Association's obligations with respect to coverage under any policy of the impaired or insolvent insurer or under any reissued or alternative policy shall cease on the date such coverage or policy is replaced by another similar policy by the policyholder, the insured, or the Association.

(E) Nonpayment of premiums within thirty-one days after the date required under the terms of any guaranteed, assumed, alternative or reissued policy or

contract or substitute coverage shall terminate the Association's obligations under such policy or coverage under this section with respect to such policy or coverage, except with respect to any claims incurred or any net cash surrender value which may be due in accordance with the provisions of this section.

(F) Premiums due after entry of an order of liquidation of an insolvent insurer shall belong to, and be payable at the direction of the Association, and the Association shall be liable for unearned premiums due to policy or contract owners arising after the entry of such order.

(G) In carrying out its duties under paragraphs (B) and (C) of this subsection, the Association may, subject to approval by the court:

(1) impose permanent policy or contract liens in connection with any guarantee, assumption or reinsurance agreement, if the Association finds that the amounts which can be assessed under this section are less than the amounts needed to assure full and prompt performance of the Association's duties under this section, or that the economic or financial conditions as they affect member insurers are sufficiently adverse to render the imposition of such permanent policy or contract liens, to be in the public interest;

(2) impose temporary moratoriums or liens on payments of cash values and policy loans, or any other right to withdraw funds held in conjunction with policies or contracts, in addition to any contractual provisions for deferral of cash or policy loan value.

(H) If the Association fails to act within a reasonable period of time as provided in paragraphs (B), (C), and (D), the commissioner shall have the powers and duties of the Association under this section with respect to impaired or insolvent insurers.

(I) The Association may render assistance and advice to the commissioner, upon his request, concerning any insurer which is insolvent, impaired or potentially impaired, or concerning the rehabilitation, payment of claims, continuance of coverage, or the performance of other contractual obligations of any impaired or insolvent insurer.

(J) The Association, shall have standing to appear before any court in the commonwealth with jurisdiction over an impaired or insolvent insurer concerning which the Association is or may become obligated under this section. Such rights shall extend to all matters germane to the powers and duties of the Association, including, but not limited to, proposals for reinsuring,



modifying or guaranteeing the covered policies or contracts of the impaired or insolvent insurer and the determination of the covered policies or contracts and contractual obligations. The Association shall also have the right to appear or intervene before a court in the commonwealth or in another state with jurisdiction over an impaired or insolvent insurer for which the Association is or may become obligated or with jurisdiction over a third party against whom the Association may have rights through subrogation of the insurer's policyholders.

(K) (1) Any person receiving benefits under this section shall be deemed to have assigned the rights under, and any causes of action relating to, the covered policy or contract to the Association to the extent of the benefits received because of this section, whether the benefits are payments of or on account of contractual obligations, continuation of coverage or provision of substitute or alternative coverages. The Association may require an assignment to it of such rights and causes of action by any payee, policy or contract owner, beneficiary, insured or annuitant, as a condition precedent to the receipt of any rights or benefits conferred by this section upon such person. The Association also shall be subrogated to these rights and causes of action against the assets of any impaired or insolvent insurer, or any other person.

(2) The subrogation rights of the Association under this subsection shall have the same priority against the assets of the impaired or insolvent insurer as that possessed by the person entitled to receive benefits under this Act.

(3) In addition to clauses (1) and (2) above, the Association shall have all common law rights of subrogation and any other equitable or legal remedy which would have been available to the impaired or insolvent insurer or holder of a policy or contract with respect to such policy or contracts.

(L) The Association may: (i) enter into such contracts as are necessary or proper to carry out the provisions and purposes of this section; (ii) sue or be sued, including taking any legal actions necessary or proper for recovery of any unpaid assessments under subsection 9; (iii) borrow money to effect the purposes of this section, such notes or other evidence of indebtedness of the Association not in default being legal investments for domestic insurers which may be carried as admitted assets; (iv) employ or retain such persons as are necessary to handle the financial transactions of the Association, and to perform such other functions as become necessary or proper under this section;

(v) take such legal action as may be necessary to avoid payment of improper claims; (vi) exercise, for the purposes of this section and to the extent approved by the commissioner, the powers of a domestic life or health insurer, but in no case may the Association issue insurance policies or annuity contracts other than those issued to perform its obligations under this section; (vii) join an organization of one or more other state Associations of similar purposes, to further the purposes and administer the powers and duties of this Association; (viii) enter into agreements with other state Associations of similar purposes to determine the residence of persons for purposes of this section.

9. (A) For the purpose of providing the funds necessary to carry out the powers and duties of the Association, the board of directors shall assess the member insurers, separately for each account, at such time and for such amounts as the board of directors finds necessary. Assessments shall be due not less than thirty days after prior written notice to the member insurers and shall accrue interest at ten per cent per annum on and after the due date.

(B) There shall be two classes of assessments, as follows:

(1) Class A assessments shall be made for the purpose of meeting administrative costs and other expenses and examinations conducted under the authority of paragraph (E) of subsection 12, which assessments may be made whether or not related to a particular impaired or insolvent insurer.

(2) Class B assessments shall be made to the extent necessary to carry out the powers and duties of the Association under paragraphs (A), (B) or (C) of subsection 8.

(C) (1) The amount of any Class A assessment shall be determined by the board of directors and may be made on a pro rata or non-pro rata basis. If made on a pro rata basis, the board of directors may provide that it be credited against future Class B assessments. If it is made on a non-pro rata basis, such assessment shall not exceed one hundred and fifty dollars per member insurer in any one calendar year. The amount of any Class B assessments shall be allocated for assessment purposes among the accounts pursuant to an allocation formula which may be based on the premiums or reserves of the impaired or insolvent insurer or on any other standard deemed by the board of directors in its sole discretion as being fair and reasonable under the circumstances.

(2) Class B assessments against member insurers for each account shall be



in the proportion that the premiums received on business in the commonwealth by each assessed member insurer on policies or contracts covered by each account for the most recent three calendar years for which information is available preceding the year in which the insurer became impaired or insolvent, as the case may be, bears to such premiums received on business in the commonwealth for such calendar years by all assessed member insurers.

(3) Assessments for funds to meet the requirements of the Association with respect to an impaired or insolvent insurer shall not be made until necessary to implement the purposes of this section. Classification of assessments and computation of assessments under this subsection shall be made with a reasonable degree of accuracy, recognizing that exact determinations may not always be possible.

(D) The Association may abate or defer, in whole or in part, the assessment of a member insurer if, in the opinion of the board of directors, payment of the assessment would endanger the ability of the member insurer to fulfill its contractual obligations. In the event an assessment against a member insurer is abated, or deferred in whole or in part, the amount by which such assessment is abated or deferred may be assessed against the other member insurers in a manner consistent with the basis for assessments set forth in this subsection.

(E) The total of all assessments upon a member insurer for each account shall not in any one calendar year exceed two per cent of such insurer's average premiums received in the Commonwealth on the policies covered by the account during the three calendar years preceding the year in which the insurer became an impaired or insolvent insurer. If the maximum assessment, together with the other assets of the association in any account, does not provide in any one year in any account an amount sufficient to carry out the responsibilities of the association, the necessary additional funds shall be assessed as soon thereafter as permitted by this Act.

(F) The board of directors may, by an equitable method as established in the plan of operation, refund to member insurers, in proportion to the contribution of each insurer to that account, the amount by which the assets of the account exceed the amount the board of directors finds is necessary to carry out during the coming year the obligations of the Association with regard to that account, including assets accruing from assignment, subrogation, net realized gains and income from investments. A reasonable amount may be

retained in any account to provide funds for the continuing expenses of the Association and for future losses.

(G) It shall be proper for any member insurer, in determining its premium rates and policyowner dividends as to any kind of insurance within the scope of this section, to consider the amount reasonably necessary to meet its assessment obligations under this section.

(H) The Association shall issue to an insurer paying an assessment under this section, other than a Class A assessment, a certificate of contribution, in a form approved by the commissioner, for the amount of the assessment so paid. All outstanding certificates shall be of equal dignity and priority without reference to amounts or dates of issue. A certificate of contribution may be shown by the insurer in its financial statements as an asset in such form and for such amount, if any, and for such period of time as the commissioner may approve.

10. (A) (1) The Association shall submit to the commissioner a plan of operation and any amendments thereto necessary or suitable to assure the fair, reasonable, and equitable administration of the Association. The plan of operation and any amendments thereto shall become effective upon the commissioner's written approval or unless the commissioner has not disapproved it within thirty days.

(2) If the Association fails to submit a suitable plan of operation within one hundred twenty days following the effective date of this section, or if at any time thereafter the Association fails to submit suitable amendments to the plan, the commissioner shall, after notice and hearing, adopt and promulgate such reasonable rules as are necessary or advisable to effectuate the provisions of this section. Such rules shall continue in force until modified by the commissioner or superseded by a plan submitted by the Association and approved by the commissioner.

(B) All member insurers shall comply with the plan of operation.

(C) The plan of operation shall, in addition to requirements enumerated elsewhere in this section:

(1) establish procedures for handling the assets of the Association;

(2) establish the amount and method of reimbursing members of the board of directors under subsection 7;

(3) establish regular places and times for meetings, including telephone conference calls, of the board of directors;



(4) establish procedures for records to be kept of all financial transactions of the Association, its agents, and the board of directors.

(5) establish the procedures whereby selections for the board of directors will be made and submitted to the commissioner;

(6) establish any additional procedures for assessments under subsection 9; and

(7) contain additional provisions necessary or proper for the execution of the powers and duties of the Association.

(D) The plan of operation may provide that any or all powers and duties of the Association, except those under clause 3 of paragraph (K) of subsection 8 and of subsection 9, are delegated to a corporation, association, or other organization which performs or will perform functions similar to those of this Association, or its equivalent, in two or more states. Such corporation, association, or organization shall be reimbursed for any payments made on behalf of the Association and shall be paid for its performance of any function of the Association. A delegation under this paragraph shall take effect only with the approval of both the board of directors and the commissioner, and may be made only to a corporation, association, or organization which extends protection not substantially less favorable and effective than that provided by this section.

11. In addition to the duties and powers enumerated elsewhere in this section:

(A) The commissioner shall:

(1) upon request of the board of directors, provide the Association with a statement of the premiums in this and any other appropriate state for each member insurer;

(2) when an impairment is declared and the amount of the impairment is determined, serve a demand upon the impaired insurer to make good the impairment within a reasonable time; notice to the impaired insurer constituting notice to its shareholders, if any, and failure of the impaired insurer to promptly comply with such demand not excusing the Association from the performance of its powers and duties under this Act;

(3) in any liquidation or rehabilitation proceeding involving a domestic insurer, be appointed as the receiver;

(4) in any liquidation proceeding involving a foreign or alien member insurer in such insurer's domiciliary jurisdiction or state of entry, be

appointed as conservator.

(B) The commissioner may suspend or revoke, after notice and hearing, the certificate of authority to transact insurance in the commonwealth of any member insurer which fails to pay an assessment when due or fails to comply with the plan of operation. As an alternative, the commissioner may levy a forfeiture on any member insurer which fails to pay an assessment when due. Such forfeiture shall not exceed five per cent of the unpaid assessment per month, but no forfeiture shall be less than one hundred dollars per month.

(C) Any action of the board of directors or the Association may be appealed to the commissioner by any member insurer if such appeal is taken within sixty days of the action being appealed. If a member company is appealing an assessment, the amount assessed shall be paid to the Association and available to meet Association obligations during the pendency of an appeal. If the appeal on the assessment is upheld, the amount paid in error or excess shall be returned to the member company. Any final action or order of the commissioner shall be subject to judicial review in a court of competent jurisdiction.

(D) The receiver, liquidator, rehabilitator, or conservator of any impaired or insolvent insurer may notify all interested persons of the effect of this section.

12. To aid in the detection and prevention of insurer insolvencies or impairments:

(A) It shall be the duty of the commissioner:

(1) To notify the commissioners of all the other states, territories of the United States and the District of Columbia when he takes any of the following actions against a member insurer:

(a) revocation of license;

(b) suspension of license;

(c) makes any formal order that such company restrict its premium writing, obtain additional contributions to surplus, withdraw from the state, reinsure all or any part of its business, or increase capital, surplus, or any other account for the security of policyholders or creditors. Such notice shall be mailed to all insurance commissioners within thirty days following the action taken or the date on which such action occurs.

(2) To report to the board of directors when he has taken any of the actions set forth in paragraph (A), subsection (1) or has received a report



from any other insurance commissioner indicating that any such action has been taken in another state. Such report to the board of directors shall contain all significant details of the action taken or the report received from another commissioner.

(3) To report to the board of directors when he has reasonable cause to believe from any examination, whether completed or in process, of any member company that such company may be an impaired or insolvent insurer.

(4) To furnish to the board of directors the NAIC Insurance Regulatory Information System tests and listings of companies not included in the tests developed by the NAIC, for the use of the board of directors in carrying out its duties and responsibilities under this subsection. Such report and the information contained therein shall be kept confidential by the board of directors until such time as made public by the commissioner or other lawful authority.

(B) The commissioner may seek the advice and recommendation of the board of directors concerning any matter affecting his duties and responsibilities regarding the financial condition of member insurers and companies seeking admission to transact insurance business in the commonwealth.

(C) The board of directors may, upon majority vote, make reports and recommendations to the commissioner upon any matter germane to the solvency, rehabilitation, conservation, or liquidation of any member insurer or germane to the solvency of any company seeking to do an insurance business in the Commonwealth. Such reports and recommendations shall not be considered public documents.

(D) It shall be the duty of board of directors, upon majority vote, to notify the commissioner of any information the board of directors possesses which indicates any member insurer may be an impaired or insolvent insurer.

(E) The board of directors may, upon majority vote, request that the commissioner order an examination of any member insurer which the board in good faith believes may be an impaired or insolvent insurer. Within thirty days of the receipt of such request, the commissioner shall begin such examination. The examination may be conducted as an NAIC examination or may be conducted by such persons as the commissioner designates. The cost of such examination shall be paid by the Association and the examination report shall be treated as are other examination reports. In no event shall such examination report be released to the board of directors of the Association prior to its release



to the public, but this shall not preclude the commissioner from complying with paragraph (A). The commissioner shall notify the board of directors when the examination is completed. The request for an examination shall be kept on file by the commissioner but it shall not be open to public inspection prior to the release of the examination report to the public.

(F) The board of directors may, upon majority vote, make recommendations to the commissioner for the detection and prevention of insurer insolvencies.

(G) The board of directors may, at the conclusion of any insurer insolvency in which the Association was obligated to pay covered claims, prepare a report to the commissioner containing such information as it may have in its possession bearing on the history and causes of such insolvency. The board shall cooperate with the boards of directors of guaranty associations in other states in preparing a report on the history and causes of insolvency of a particular insurer, and may adopt by reference any report prepared by such other associations.

13. (A) Assessments described in paragraph (H) of subdivision 9, paragraph (H) may be applied as an offset to the premium, excise, franchise, or income tax liability of member insurers to the commonwealth, to the extent of ten per cent of the amount of such assessments for each of the five calendar years following the year in which such assessments are paid. If the sum of the offsets, so determined, for all member insurers for a calendar year exceeds three million dollars, the excess shall be carried forward and shall be allowed as an offset in calendar years in which, and to the extent that the sum of member insurer's offsets are less than three million dollars. In the event that the total of the offsets reported by all member insurers on their premium, excise, franchise or income tax returns exceeds three million dollars for a calendar year, the commissioner of revenue shall assess each member insurer with an additional tax equal to the amount offset for the calendar year which is in excess of such member insurer's pro rata share of three million dollars. Each member insurer's pro rata share of three million dollars shall be determined by dividing three million dollars by the total of all member insurer offsets reported in such calendar year and multiplying the result by the offset taken by each such member insurer.

(B) Any sums which are acquired by refund, pursuant to paragraph (F) of subsection 9, from the Association by member insurers, and which have theretofore been offset against premium, excise, income or franchise taxes as pro-

vided in paragraph (A) above, shall be paid by such insurers to the commonwealth in such manner as the department of revenue may require. The Association shall notify the commissioner that such refunds have been made.

14. (A) Nothing in this section shall be construed to reduce the liability for unpaid assessments of the insureds of an impaired or insolvent insurer operating under a plan with assessment liability.

(B) Records shall be kept of all negotiations and meetings in which the Association or its representatives are involved to discuss the activities of the Association in carrying out its powers and duties under subsection 8. Records of such negotiations or meetings shall be made public only upon the termination of a liquidation, rehabilitation, or conservation proceeding involving the impaired or insolvent insurer, upon the termination of the impairment of insolvency of the insurer, or upon the order of a court of competent jurisdiction. Nothing in this subsection shall limit the duty of the Association to render a report of its activities under subdivision 15.

(C) For the purpose of carrying out its obligations under this section, the Association shall be deemed to be a creditor of the impaired or insolvent insurer to the extent of assets attributable to covered policies reduced by any amounts to which the Association is entitled as subrogee pursuant to paragraph (K) of subdivision 8. Assets of the impaired or insolvent insurer attributable to covered policies shall be used to continue all covered policies and pay all contractual obligations of the impaired or insolvent insurer as required by this section. Assets attributable to covered policies, as used in this subsection, are that proportion of the assets which the reserves that should have been established for such policies bear to the reserves that should have been established for all policies of insurance written by the impaired or insolvent insurer.

(D) (1) Prior to the termination of any liquidation, rehabilitation or conservation proceeding, the court may take into consideration the contributions of the respective parties, including the Association, the shareholders and policyowners of the insolvent insurer, and any other party with a bona fide interest, in making an equitable distribution of the ownership rights of such insolvent insurer. In such determination, consideration shall be given to the welfare of the policyholders of the continuing or successor insurer.

(2) No distribution to stockholders, if any, of an impaired or insolvent insurer shall be made until and unless the total amount of valid claims of the



Association with interest thereon for funds expended in carrying out its powers and duties under subdivision 8 with respect to such insurer have been fully recovered by the Association.

(E) (1) If an order for rehabilitation or liquidation of an insurer domiciled in the commonwealth has been entered, the receiver appointed under such order shall have a right to recover on behalf of the insurer, from any affiliate that controlled it, the amount of distributions, other than stock dividends paid by the insurer on its capital stock, made at any time during the five years preceding the petition for liquidation or rehabilitation subject to the limitations of clauses (2) and (4) of this paragraph.

(2) No such distribution shall be recoverable if the insurer shows that when paid the distribution was lawful and reasonable, and that the insurer did not know and could not reasonably have known that the distribution might adversely and materially affect the ability of the insurer to fulfill its contractual obligations.

(3) Any person who was an affiliate that controlled the insurer at the time the distributions were paid shall be liable up to the amount of distributions he received. Any person who was an affiliate that controlled the insurer at the time the distributions were declared, shall be liable up to the amount of distributions he would have received if they had been paid immediately. If two or more persons are liable with respect to the same distributions, they shall be jointly and severally liable.

(4) The maximum amount recoverable under this subsection shall be the amount needed in excess of all other available assets of the insolvent insurer to pay the contractual obligations of the insurer.

(5) If any person liable under paragraph (3) of this paragraph is insolvent, all its affiliates that controlled it at the time the distribution was paid, shall be jointly and severally liable for any resulting deficiency in the amount recovered from the insolvent affiliate.

15. The Association shall be subject to examination and regulation by the commissioner. The board of directors annually shall submit to the commissioner, not later than five months after the end of the Association's prior fiscal year, a financial report for the preceding fiscal year in a form approved by the commissioner and a report of its activities during the preceding fiscal year.

16. The Association shall be exempt from payment of all fees and all



taxes levied by the commonwealth or any of its subdivisions, except taxes levied on real property.

17. There shall be no liability on the part of and no cause of action of any nature shall arise against any member insurer or its agents or employees, the Association or its agents or employees, the board of directors or any member thereof, or the commissioner or his representatives, for any action or omission by them pursuant to the purposes and provisions of this section or in the performance of their powers and duties under this section. Such immunity shall extend to the participation in any organization of one or more other state associations of similar purposes as provided in subclause (vii) of paragraph L subsection 8, and to any such organization and its agents and employees.

18. All proceedings in which the insolvent insurer is a party in any court in the commonwealth shall be stayed sixty days from the date an order of rehabilitation or liquidation is final to permit proper legal action by the Association on any matters germane to its powers or duties. As to judgment under any decision, order, verdict, or finding based on default the Association may apply to have such judgment set aside by the same court that made such judgment and shall be permitted to defend against such suit on the merits.

19. No person, including an insurer, agent or affiliate of an insurer shall make, publish, disseminate, circulate, or place before the public, or cause directly, to be made, published, disseminated, circulated or placed before the public, in any newspaper, magazine or other publication, or in the form of a notice, circular, pamphlet, letter or poster, or over any radio station or television station, or in any other way, any advertisement, announcement or statement, written or oral, which uses the existence of the Massachusetts Life and Health Insurance Guaranty Association for the purposes of sales, solicitation, or inducement to purchase any form of insurance covered by this section, provided, however, that this section shall not apply to the Massachusetts Life and Health Insurance Guaranty Association or any other entity which does not sell or solicit insurance.

20. This section shall not apply to any insurer which is insolvent or unable to fulfill its contractual obligations on the effective date of this section.

SECTION 18. The second paragraph of section 180B of said chapter 175 as

so appearing is hereby amended by striking out the last sentence and inserting in place thereof the following sentence:- The court, if satisfied after due notice and a full hearing that the purposes of the proceedings have been substantially accomplished, shall grant such application, provided that no such application instituted on behalf of an impaired insurer, as defined in section one hundred and forty-seven of chapter one hundred and seventy-five, shall be granted except upon compliance with the terms and conditions of subclause (b) of clause (2) of paragraph (B) of subsection 8 of said section 147.

SECTION 19. The third paragraph of section 180C of said chapter 175 is hereby amended by striking out the first sentence and inserting in place thereof the following sentence:- Within one hundred and twenty days of a final determination of insolvency of a company by the supreme judicial court, the receiver shall make application to the supreme judicial court for approval of a proposal to disburse assets out of such company's marshalled assets from time to time as such assets become available, to the Massachusetts Insurers Insolvency Fund, the Massachusetts Life and Health Insurance Guaranty Association, and to any similar organization in another state, such fund, association or organization hereinafter collectively referred to as Funds.

SECTION 20. The third paragraph of section 180F of said chapter 175, as so appearing, is hereby amended by striking out clause (4), and inserting in place thereof the following clause:-

(4) Claims by policyholders, beneficiaries, and insurers arising from and within the coverage of and not in excess of the applicable limits of insurance policies and insurance contracts issued by the company, and claims presented by the Massachusetts Insurer's Insolvency Fund, the Massachusetts Life and Health Insurance Guaranty Association, or any similar organization in another state.

House of Representatives, December 26, 1985.

Passed to be enacted,

*George J. Livanian*, Speaker.

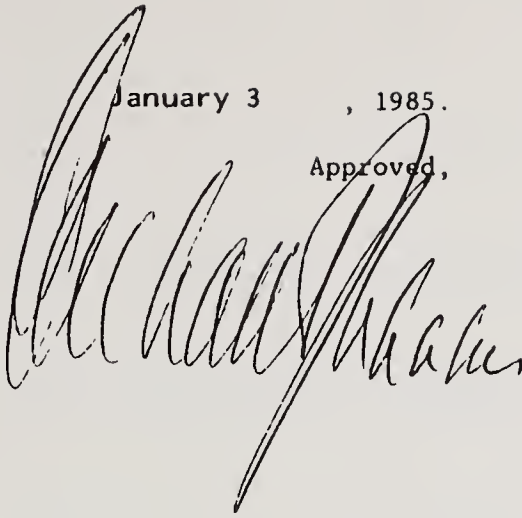
In Senate, December 26, 1985.

Passed to be enacted,

*William M. Bulger*, President.

January 3 , 1985.

Approved,

 Governor.





## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

*AN ACT REGULATING GOVERNMENTAL UNITS POOLED INSURANCE.*

*Whereas, The deferred operation of this act would tend to defeat its purpose, which is to authorize governmental units to enter into agreements for insurance purposes, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.*

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

The General Laws are hereby amended by inserting after chapter 40L the following chapter:-

CHAPTER 40M.

GOVERNMENTAL UNITS POOLED INSURANCE.

Section 1. Five or more public entities may participate in an organization in which the governmental units are members, and agree to effect such property and casualty insurance coverage as the governmental unit may otherwise purchase by itself.

A self-insurance group that is issued a certificate of approval by the commissioner shall not be deemed to be insurers or insurance companies and shall not be subject to the provisions of the insurance laws and regulations of this commonwealth except as otherwise provided herein.

The provision of this chapter shall not be construed to prohibit municipal electric departments from participating in a municipal electric department self-insurance trust fund establishing pursuant to chapter one hundred and sixty-four.

Section 2. "Administrator", an individual, partnership, corporation, or unincorporated association engaged by a public employer self-insurance group's board of trustees and to provide day to day management of the group.

"Commissioner", the commissioner of insurance.

"Insolvent" or "Insolvency", the inability of a public employer self-insurance group to pay its outstanding lawful obligations as they mature in the regular course of business, as may be shown either by an excess of its

required reserves and other liabilities over its assets or by its not having sufficient assets to reinsure all of its outstanding liabilities after paying all accrued claims owed by it.

"Public employers self-insurance group" or "group", a not-for-profit association consisting of five or more employers, all of whom are public entities, who enter into agreements to pool their liabilities for property and casualty benefits. For purposes of this chapter, a municipal electric department self-insurance trust fund established pursuant to sections one hundred and twenty-nine to one hundred and thirty-two, inclusive, of chapter one hundred and sixty-four shall not be a "public employers self-insurance group" or "group".

Section 3. No person, association or other entity shall act as a public employer self-insurance group unless it has been issued a certificate of approval by the commissioner.

Section 4. (A) A proposed public employer self-insurance group shall file with the commissioner its application for a certificate of approval accompanied by a nonrefundable filing fee in the amount of one hundred dollars. The application shall include the group's name, location of its principal office, date of organization, name and address of each member, and such other information as the commissioner may reasonably require, together with the following:

- (1) A copy of the articles of association, if any;
- (2) A copy of the by-laws of the proposed group;
- (3) A copy of the agreement between the group and each member securing the payment of benefits, which shall include provision for payment of assessments as provided for in section fourteen;
- (4) Designation of the initial board of trustees and administrator;
- (5) The address in this state where the books and records of the group will be maintained at all times;
- (6) A pro forma financial statement on a form acceptable to the commissioner showing the financial ability of the group to pay the obligations of its members;
- (7) A documented agreement by each member to the group that at least thirty-three per cent of that member's estimated annual net premium is payable the initial day of coverage afforded by the group;
- (8) A confirmation of any required reinsurance by a recognized carrier in an amount acceptable to the commissioner of insurance;



(B) To obtain and to maintain its certificate of approval a public employer self-insurance group shall comply with the following requirements as well as any other requirements established by law or regulation:-

(1) Specific and aggregate excess insurance in a form, in an amount, and by an insurance company acceptable to the commissioner. Each group shall maintain aggregate excess insurance in a minimum amount equal to two million dollars. The commissioner may establish higher minimum requirements for the amount of specific and aggregate excess insurance based on differences among groups in their size, types of local government services provided by members of the group, years in existence and other relevant factors.

(2) An estimated annual standard premium of at least two hundred and fifty thousand dollars during a group's first year of operation.

(3) A fidelity bond for the administrator in a form and amount prescribed by the commissioner of insurance.

(C) A group shall notify the commissioner of any change in the information required to be filed under subsection (A) or in the manner of its compliance with subsection (B) no later than thirty days after such change.

(D) The commissioner shall act upon a completed application for a certificate of approval within ninety days.

(E) The commissioner shall issue to the group a certificate of approval upon finding that the proposed group has met all requirements or the commissioner shall issue an order refusing such certificate setting forth reasons for such refusal upon finding that the proposed group does not meet all requirements.

Upon refusal, the commissioner shall hold a hearing within thirty days after said refusal, upon notice requesting such hearing by applicant within ten days of said refusal.

(F) Each public employer self-insurance group shall be deemed to have appointed the commissioner as its attorney to receive service of legal process issued against it in this state. The appointment shall be irrevocable, shall bind any successor in interest, and shall remain in effect as long as there is in this commonwealth any obligation or liability of the group for benefits.

Section 5. (A) The certificate of approval issued by the commissioner to a public employer self-insurance group authorizes the group to provide insurance coverage. The certificate of approval remains in effect until terminated at the request of the group or revoked by the commissioner pursuant to provisions of section sixteen.

(15)

(B) The commissioner shall not grant the request of any group to terminate its certificate of approval unless the group has insured or reinsured all incurred obligations with an authorized insurer under an agreement filed with and approved in writing by the commissioner. Such obligation shall include both known claims and expenses associated therewith and claims incurred but not reported and expenses associated therewith.

Subject to the approval of the commissioner, a group may merge with another public employer self-insurance group only if the resulting group assumes in full all obligations of the merging groups. The commissioner may hold a hearing on the merger and shall do so if any party, including a member of either group, so requests.

Section 6. The commissioner may examine the affairs, transactions, accounts, records and assets of each group as often as the commissioner deems advisable.

Section 7. Each public employee self-insurance group shall be operated by a board of trustees which shall consist of not less than three persons who are elected officials or employees of public entities within this commonwealth. The board of trustees of each group shall ensure that all claims are paid promptly and take all necessary precautions to safeguard the assets of the group, including all of the following:

(A) The board of trustees shall:

(1) Maintain responsibility for all monies collected or disbursed from the group and segregate all monies in a claims fund account and an administrative fund account. Net premiums shall be placed into a designated depository for the sole purpose of paying claims, allocated claims expenses, reinsurance or excess insurance, and special fund contributions. This shall be called the claims fund account. The remaining net premium after any payments for reinsurance or excess insurance shall be placed in a designated depository for the payment of taxes, general regulatory fees and assessments and administrative costs. This shall be called the administrative fund account.

(2) Maintain minutes of its meetings and make such minutes available to the commissioner.

(3) Designate an administrator to carry out the policies established by the board of trustees and to provide day to day management of the group and delineate in the written minutes of its meetings the areas of authority it delegates to the administrator.

(4) Funds not needed for current obligations may be invested by the board of trustees in accordance with section fifty-four of chapter forty-four.

(5) Retain an independent certified public accountant to prepare the statement of financial conditions required by subsection (A) of section ten.

(B) The board of trustees shall not borrow any monies from the group or in the name of the group except in the ordinary course of business, without first advising the commissioner of the nature and purpose of the loan and obtaining prior approval from the commissioner.

Section 8. (A) A public employer joining a public employer's self-insurance group after the group has been issued a certificate of approval shall submit an application for membership to the board of trustees or its administrator. Membership takes effect no earlier than each member's date of approval. The application for membership and its approval shall be maintained as permanent records of the board of trustees.

(B) Individual members of a group shall be subject to cancellation by the group pursuant to the by-laws of the group. In addition, individual members may elect to terminate their participation in the group. A voluntary termination may not be tendered prior to the members participation in the group for a period of less than one year. The group shall notify the commissioner of the termination or cancellation of a member within ten days and shall maintain coverage of each cancelled or terminated member for thirty days after such notice, at the terminating member's expense, unless the group is notified sooner by the insurance department that the cancelled or terminated member has insurance, has become a self-insurer, or has become a member of another public employer self-insurance group.

(C) The agreement between the group and the member shall specify the terms and conditions of payment of benefits for each member's incurred liabilities during its period of membership.

(D) A group member is not relieved of its liabilities incurred during its period of membership except through payment by the group or the member or a combination thereof. Payment of benefits by the group to the member shall be limited to the terms specified in the agreement between the group and the member.

(E) There shall be a minimum period of at least one year for which a member shall contract to participate in the group.



Section 9. Except for trustees, officers, directors or salaried employees of a group or its administrator, any person soliciting membership in a property and casualty self-insurance group must be a licensed agent as provided by section sixty-three of chapter one hundred and seventy-five.

Section 10. (A) Each group shall submit to the commissioner of insurance thirty days before the end of its policy year a performance report estimating total outstanding liability, including incurred but not reported claims, for that policy year.

(B) Each group shall submit to the commissioner a statement of financial condition audited by an independent certified public accountant on or before the last day of the sixth month following the end of the group's fiscal year. The financial statement shall be on a form prescribed by the commissioner and shall include, but not be limited to, actuarially appropriate reserves for (1) known claims and expenses associated therewith, (2) claims incurred but not reported and expenses associated therewith, (3) unearned premiums and (4) bad debts, which reserves shall be shown as liabilities.

(C) The commissioner may prescribe a uniform financial reporting system for all public employer self-insurance groups to ensure the accurate and complete reporting of groups' financial information.

(D) The commissioner may prescribe the format and frequency of other reports which may include, but shall not be limited to, payroll audit reports, summary loss reports, and quarterly financial statements.

Section 11. (A) A group shall file with the commissioner its rating plan.

(B) Each group shall be audited at least annually by an auditor acceptable to the commissioner to verify proper rating. A report of the audit shall be filed with the commissioner in a form prescribed by the commissioner. A group or any member thereof may request a hearing on any objections to the rating. If the commissioner determines that as a result of an improper rating a member's premium contribution is insufficient, he shall order the group to assess that member an amount equal to the deficiency. If the commissioner determines that as a result of an improper rating a member's premium is excessive, he shall order the group to refund to the member the excess collected. The audit shall be at the expense of the group.

Section 12. (A) Any monies for a fund year in excess of the amount necessary to fund all obligations, including reserves for claims and reserves

for incurred but not reported claims for that fund year may be declared to be refundable by the board of trustees not less than six months after the end of the fund year.

(B) Each member shall be given a written description of the refund plan at the time of application for membership. A refund for any fund year shall be paid only to those employers who remain participants in the group for the entire fund year.

Section 13. (A) Each group shall establish to the satisfaction of the commissioner a premium payment plan in which at least thirty-three per cent of each member's estimated net annual premium is payable at the start of the group's fund year and payment of the balance of each member's annual premium is payable within the first nine months of that fund year in monthly or quarterly installments.

(B) Each group shall establish and maintain actuarially appropriate loss reserves which shall include reserves for (1) known claims and expenses associated therewith and (2) claim incurred but not reported and expenses associated therewith.

Section 14. (A) If the assets of a group are at any time insufficient to enable the group to discharge its legal liabilities and other obligations and to maintain the reserves required of it under this chapter, it shall forthwith make up the deficiency or levy an assessment upon its members for the amount needed to make up the deficiency.

(B) In the event of a deficiency in any fund year, such deficiency shall be made up immediately, either from (a) administrative funds, (b) assessment of the membership, if ordered by the group or, (c) such alternate method as the commissioner may approve or direct.

(C) If the group fails to assess its members or to otherwise make up such deficit within ninety days the commissioner shall order it to do so.

(D) If the group fails to make the required assessment of its members within ninety days after the commissioner orders it to do so, or if the deficiency is not fully made up within one hundred and twenty days after the date on which such assessment is made, or within such longer period of time as may be specified by the commissioner, the group shall be deemed to be insolvent.

Section 15. After notice and opportunity for a hearing, the commissioner may issue an order requiring a person or public employer self-insurance group to cease and desist from engaging in an act or practice found to be in viola-

tion of any provision of this chapter or of any rules or regulations promulgated thereunder.

Section 16. (A) After notice and opportunity for a hearing, the commissioner may revoke a public employer self-insurance group's certificate of approval if it (1) is found to be insolvent, (2) fails to pay any regulatory fee or assessment, imposed upon it, or (3) fails to comply with any of the provisions of this chapter, with any rules promulgated thereunder, or with any lawful order of the commissioner within the time prescribed. In addition, the commissioner may revoke a group's certificate of approval if, after notice and opportunity for hearing, the commissioner finds that (a) any certificate of approval that was issued to the group was obtained by fraud; (b) there was a material misrepresentation in the application for the certificate of approval; or (c) the group or its administrator has misappropriated, converted, illegally withheld, or refused to pay over upon proper demand any monies that belong to a member, an employee of a member, or a person otherwise entitled thereto and that have been entrusted to the group or its administrator in its fiduciary capacities.

(B) Any ruling, order or decision of the commissioner under authority of this section shall be subject to review by appeal to the superior court department of the trial court at the instance of any party in interest, which appeal shall be on the basis of the record of the proceeding before the commissioner. Said court shall have jurisdiction to modify, amend, annul, review, or affirm such action, order, finding or decision, shall review all questions of fact and of law involved therein, and may make any other appropriate order or decree. Said court shall determine whether the filing of the appeal shall operate as a stay of any such order or decision of the commissioner.

House of Representatives, December 30, 1985.

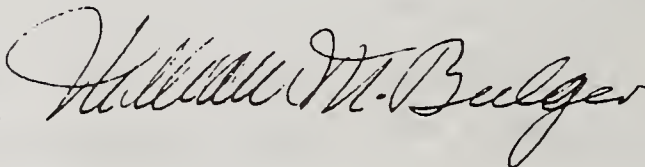
Preamble adopted,



, Speaker.

In Senate, December 30, 1985.

Preamble adopted,



, President.



House of Representatives, December 30, 1985.

Bill passed to be enacted,

*George J. Luerian*

, Speaker.

In Senate, December 30, 1985.

Bill passed to be enacted,

*William M. Bulger*

, President.

January 10, 1986.

Approved,

at Two o'clock and 25 minutes, P. M.

*Michael Dukakis*  
Governor.



Chapter 806

THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

AN ACT RELATIVE TO UNINSURED MOTOR VEHICLES.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

SECTION 1. Section 34J of chapter 90 of the General Laws, as appearing in the 1984 Official Edition, is hereby amended by striking out the first sentence and inserting in place thereof the following sentence:- Whoever operates or permits to be operated a motor vehicle which is subject to the provisions of section one A during such time as the motor vehicle liability policy or bond or deposit required by the provisions of this chapter has not been provided and maintained in accordance therewith shall be punished by a fine of not less than three hundred dollars nor more than one thousand five hundred dollars or by imprisonment for not more than one year in a house of correction, or both such fine and imprisonment; provided, however, that any municipality that enforces the provisions of this section shall retain two hundred dollars of any such fine.

SECTION 2. Said chapter 90 is hereby further amended by inserting after section 34 O the following section:-

Section 34P. The registrar after receipt of a notice as referred to in section thirty-four H, that a motor vehicle which is subject to the provisions of section one A and for which a motor vehicle liability policy or bond or deposit required by the provisions of this chapter has not been provided and maintained in accordance therewith, and upon the effective date of revocation pursuant to said section thirty-four H, shall notify state law enforcement agencies and the municipal police department of the city or town of principal garaging of said motor vehicle of such failure to provide and maintain said policy or bond or deposit. Further, such notice shall include the name and address of the owner of the motor vehicle and the address of the principal place of garaging.

State law enforcement personnel or the police of the city or town in which such motor vehicle is so garaged shall, upon receipt of said notice from the



registrar seize the registration plates in use on said motor vehicle and return them forthwith, unless the owner shall present a notice of reinstatement from the insurer or evidence of a new motor vehicle insurance policy dated at least two days prior to the effective date of revocation pursuant to section 34H.

House of Representatives, December 26, 1985.

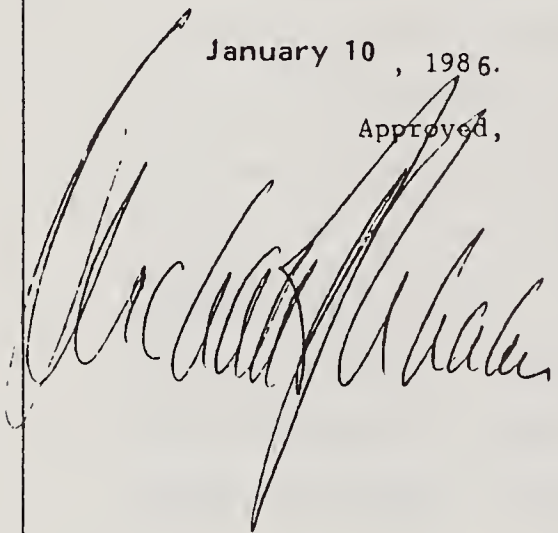
Passed to be re-enacted, *George Fweruair*, Speaker.

In Senate, December 26, 1985.

Passed to be re-enacted, *William M. Bulger*, President.

January 10, 1986.

Approved,



Governor.

## Chapter 2

## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

RESOLVE PROVIDING FOR AN INVESTIGATION AND STUDY BY A SPECIAL COMMISSION FOR THE PURPOSE OF EXAMINING THE PROCEDURES OF ADMITTING CERTAIN DRUG-ALCOHOL PATIENTS FOR DETOXIFICATION AND EXTENDED DRUG-ALCOHOL EDUCATION AND REHABILITATION BY INSURANCE COMPANIES.

RESOLVED, That a special commission is hereby established for the purpose of examining the procedures of admitting drug-alcohol patients for detoxification and extended drug-alcohol education and rehabilitation by insurance companies and health maintenance organizations and the denial of coverage for extended hospitalizations. Said commission shall consist of five members of the house of representatives, three members of the senate and nine members to be appointed by the governor, one of whom shall be a physician with no less than eight years experience dealing with drug-alcohol rehabilitation, one of whom shall be a drug-alcohol counselor with no less than eight years experience in the field, one of whom shall be a hospital administrator with no less than eight years experience, one of whom shall be a member of the Massachusetts State Labor Council, AFL-CIO, one of whom shall be a member of the national Association of Treatment Providers, one of whom shall be a member of the Massachusetts Association of Private Alcoholism Providers, one of whom shall be a member of the Association of Labor and Management Alcoholic Council of America, one of whom shall be a member of the Massachusetts Association of Alcoholism Counselors and one lay person. Said commission may accept and expend gifts and grants of money from the Federal Government or any other public or private source. Said commission may travel within and without the commonwealth. Said commission shall report to the general court the results of its recommendations, if any, together with drafts of legislation necessary to carry such recommendations into effect by filing the same with the clerk of the house of representatives on or before the thirtieth day of December, nineteen hundred and eighty-five.

House of Representatives, July 10, 1985.

Passed,

*George J. Fierman*

, Speaker.

In Senate, July 10, 1985.

Passed, *William M. Bulger*, President.

July 16, 1985.

Approved,

*Michael Dukakis*  
Governor.



## THE COMMONWEALTH OF MASSACHUSETTS

*In the Year One Thousand Nine Hundred and Eighty-five*

RESOLVE INCREASING THE MEMBERSHIP OF THE SPECIAL COMMISSION ESTABLISHED TO MAKE AN INVESTIGATION AND STUDY RELATIVE TO NONPROFIT HOSPITAL SERVICES CORPORATIONS AND NONPROFIT MEDICAL SERVICES CORPORATIONS.

RESOLVED, That the membership of the special commission, established by section two of chapter one hundred and ninety-two of the acts of nineteen hundred and eighty-four, is hereby increased by two persons to be appointed by the governor, one of whom shall be a representative of the Massachusetts Businessman's Association and one of whom shall be a representative of a health maintenance organization not affiliated with a nonprofit hospital services corporation nor a nonprofit medical services corporation, as established pursuant to chapters one hundred and seventy-six A and one hundred and seventy-six B of the General Laws.

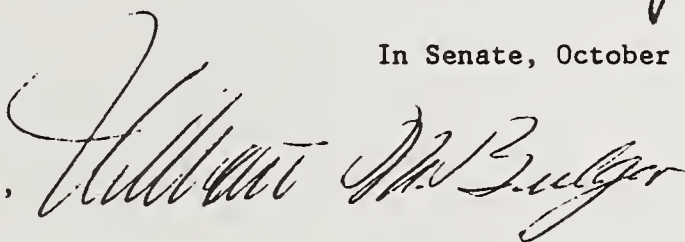
House of Representatives, October 21, 1985.

Passed,

 Acting Speaker.

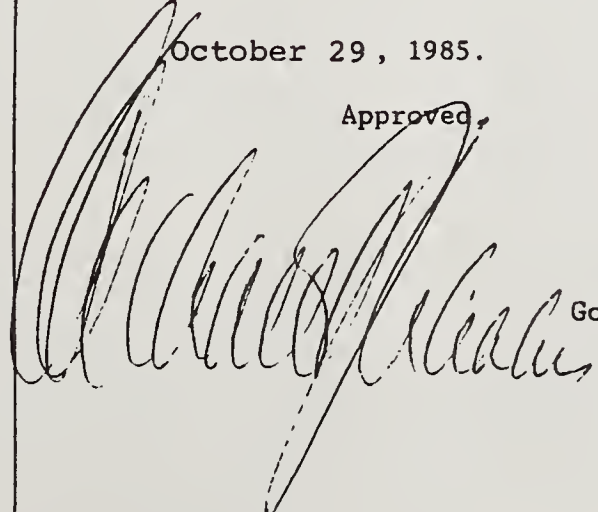
In Senate, October 22, 1985.

Passed,

 President.

October 29, 1985.

Approved,

 Governor.



THE DISPOSITION OF ALL INSURANCE LEGISLATION

THE FOLLOWING IS A BREAKDOWN ACCORDING TO NUMERICAL ORDER OF  
ALL LEGISLATION THAT CAME BEFORE THE COMMITTEE.



- S 296 - Petition of Jack H. Backman, Michael LoPresti, Jr., Louis P. Bertonazzi, Gerard D'Amico and Linda R. Perlmutter for legislation to provide alcoholism treatment services under health insurance benefits. Hearing date Mar 4 am. Favorable report. Amended by substitution (in part) of H6467. Residue substituted by H6477.
- S 297 - Petition of Jack H. Backman for legislation to provide group health insurance coverage to individuals. Hearing date Feb 27 am. Ought not to pass.
- S 298 - Petition of Jack H. Backman for legislation to provide continued medical coverage upon termination of employment. Hearing date Mar 4 am. Ought not to pass. Referred to Senate Steering and Policy. Referred to Senate Ways and Means.
- S 299 - Petition of Frederick E. Berry for legislation to include the mentally retarded in insurance policies. Hearing date Mar 20 am. Reported favorably. Signed by the Governor, Chapter 520 Acts.
- S 300 - Petition of Frederick E. Berry and the Massachusetts Association of Community Health Agencies, by Regina Villa, for legislation to require home care services to be included in group health insurance policies, employees health and welfare funds, group hospital service contracts and group medical service contracts. Hearing date Mar 4 am. Ought not to pass.
- S 301 - Petition filed at the request of Ross Rafotte for legislation to provide a rate reduction in the auto insurance rates for insured drivers over sixty-five years of age. Hearing date Mar 6 am. Ought not to pass.
- S 302 - Petition of Louis P. Bertonazzi for legislation to increase consumer participation in proceedings affecting medical service corporations and hospital service corporations. Hearing date Feb 27 am. Ought not to pass.
- S 303 - Petition of Louis P. Bertonazzi and Daniel J. Ranieri for legislation to provide lower insurance rates for non-drinkers. Hearing date Feb 27 am. Ought not to pass.

- S 304 - Petition of Louis P. Bertonazzi and Daniel J. Ranieri for legislation to provide lower insurance rates for non-smokers.  
Hearing date Feb 27 am.  
Ought NOT to Pass, referred to committee on Senate Steering and Policy; ordered to a third reading.
- S 305 - Petition of Louis P. Bertonazzi for legislation to provide employees a right to change health plans.  
Hearing date Mar 4 am.  
Ought NOT to Pass, referred to committee on Senate Steering and Policy; referred to committee on House Ways and Means.
- S 306 - Petition of Louis P. Bertonazzi for legislation to provide for lower insurance rates for persons receiving the benefits of community water fluoridation.  
Hearing date Feb 27 am.  
Ought NOT to Pass.
- S 307 - Petition of Louis P. Bertonazzi that provision be made for an investigation and study by a special commission (including members of the General Court) relative to the cost-effectiveness of insurance coverage for alcoholism treatment.  
Hearing date Mar 4 am.  
Ought NOT to Pass.
- S 308 - Petition of Edward L. Burke for legislation to provide for reimbursement by insurance companies and others for services performed by certified clinical specialists in psychiatric and mental health nursing.  
Hearing date Feb 27 am.  
Discharged to committee on Health Care.
- S 309 - Petition of Edward L. Burke for legislation to provide for reimbursement by insurance companies and others for services performed by certified nurse midwives.  
Hearing date Feb 27 am.  
Discharged to committee on Health Care.
- S 310 - Petition of Argeo Paul Cellucci and Robert A. Durand for legislation to amend the safe driver insurance plan.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- S 311 - Petition of Argeo Paul Cellucci, Patricia A. Walrath and Robert A. Durand for legislation to provide for reimbursement by insurance companies and others for services performed by certified nurse midwives.  
Hearing date Feb 27 am.  
Discharged to Committee on Health Care.

- S 312 - Petition of Nicholas J. Costello, Gerard D'Amico, Paul V. Doane, Michael LoPresti, Jr., and Linda R. Perlmutter for legislation to further define who may provide alcoholism treatment to be covered by group health insurance policies, employees health and welfare funds, group hospital service contracts and group medical service contracts.  
Hearing date Mar 4 am.  
Ought NOT to Pass, referred to committee on Senate Steering and Policy, referred to committee on Senate Ways and Means.
- S 313 - Petition of Francis D. Doris for legislation to further regulate the licensing of insurance advisors.  
Hearing date Apr 9 am.  
Accompanied a study order, see S. 2291.
- S 314 - Petition of Francis D. Doris for legislation relative to the membership of the Commonwealth automobile reinsurers.  
Hearing date Mar 6 am.  
Favorable report, ordered to a third reading.
- S 315 - Petition of Francis D. Doris for legislation to provide that classification of risks and premium charges under the compulsory motor vehicle liability insurance law be uniform throughout the Commonwealth.  
Hearing date Mar 6 am.  
Ought NOT to Pass.
- S 316 - Petition of Edward L. Burke and Francis D. Doris for legislation relative to the establishment and operation of health service corporations thereby permitting the merger of hospital service corporations (Blue Cross) and medical service corporations (Blue Shield).  
Hearing date Feb 27 am.  
Accompanied H. 5962.
- S 317 - Petition of Francis D. Doris for legislation to require all automobile insurers to offer installment financing of premiums.  
Hearing date Mar 6 am.  
Ought NOT to Pass.
- S 318 - Petition of Francis D. Doris for legislation to require that filings of homeowner's insurance rates be uniform throughout the Commonwealth.  
Hearing date Feb 25 am.  
Ought NOT to Pass.
- S 319 - Petition of Francis D. Doris for legislation to amend the formula for fixing the territorial rates for motor vehicle liability insurance.  
Hearing date Mar 6 am.  
Ought NOT to Pass.



- S 320 - Petition of Francis D. Doris for legislation to require the Commonwealth to contract with private health insurance carriers.  
Hearing date Feb 27 am.  
Ought NOT to Pass.
- S 321 - Petition of David H. Locke for legislation to require notice to employees prior to cancellation of group insurance.  
Hearing date Mar 20 am.  
Ought NOT to Pass.
- S 322 - Petition of Martin T. Reilly for legislation to provide for the designation of an insurance company to provide benefits to providers of services to the Department of Social Services.  
Hearing date Mar 20 am.  
Ought NOT to Pass.
- H 323 - Petition of Martin T. Reilly and John P. Burke for legislation to further regulate the payment of certain automobile insurance claims.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- S 324 - Petition of Peter C. Webber for legislation to amend certain provision of the motor vehicle insurance laws.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- S 392 - Petition of Francis D. Doris for legislation to establish a board of anti-theft standards for automobiles and to provide for publication of a list of anti-theft locks, alarms and devices for the benefit of the motoring public.  
Hearing date Apr 23 am.  
Ought NOT to Pass; referred to committee on Senate Steering and Policy; referred to committee on Senate Ways and Means.
- S 1035 - Petition of George Bachrach, John P. Houston, Frederick E. Berry, Mary Jane Gibson and other members of the House of Representatives for legislation to authorize the study of relationship between seat belts and auto insurance.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- S 1036 - Petition of George Bachrach for legislation relative to the provision of an optional disability insurance plan for all state employees.  
Hearing date Feb 20 am.  
Accompanied a study order, See S. 2291.
- S 1037 - Petition of Jack H. Backman for legislation to ensure medical care for pregnant women and teenagers.  
Hearing date Mar 4 am.  
Ought NOT to Pass (Under Joint Rule 10). Referred to Senate Steering and Policy, New draft, see S. 2562.

- S 1038 - Petition of Louis P. Bertonazzi and Matthew E. Boylan, Jr., for legislation to grant a freedom of choice of health insurance by certain consumers.  
Hearing date Feb 27 am.  
See S. 2297.
- S 1039 - Petition of Edward L. Burke, George Bachrach, Gerard D'Amico, Helena McDonough and John E. McDonough for legislation to provide for reimbursement by insurance companies and others for services provided by certified nurse midwives.  
Hearing date Feb 27 am.  
Discharged to committee on Health Care.
- S 1040 - Petition of John P. Burke, Robert J. Rohan, Kenneth M. Lemanski, William D. Mullins for legislation relative to computation of automobile insurance rates.  
Referred to committee on Insurance.  
Hearing date Mar 6 am.  
Accompanied H. 4873.
- S 1041 - Petition of John P. Burke, Robert J. Rohan, Kenneth M. Lemanski, William D. Mullins and John H. Flood for legislation to correct certain deficiencies in the safe driver plan, so called.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- S 1042 - Petition of John P. Burke and Robert J. Rohan for legislation to require consent or approval for certain medical insurance coverage reductions.  
Hearing date Mar 4 am.  
Ought NOT to Pass.
- S 1043 - Petition of Gerard D'Amico and John P. Houston for legislation to provide for the inclusion of custodial or nursing home care costs for persons with Alzheimer's disease in health insurance policies.  
Hearing date Feb 27 am.  
Accompanied a study order, see S. 2291.
- S 1044 - Petition of John P. Houston and Carolyn Lukas for legislation to promote group marketing of automobile insurance.  
Hearing date Mar 11 am.  
Ought NOT to Pass, referred to committee on Senate Steering and Policy; referred to committee on Senate Ways and Means.
- S 1045 - Petition of Richard A. Kraus, George Bachrach and John P. Houston for legislation to provide for certain reductions in automobile insurance premiums for drivers who have successfully completed a defensive driving course.  
Hearing date Mar 6 am.  
Ought NOT to Pass.

- S 1046 - Petition of Arthur Joseph Lewis, Jr., for legislation relative to the conversion of domestic mutual life insurance companies.  
Hearing date Feb 25 am.  
Accompanied H. 5965.
- S 1047 - Petition of Arthur Joseph Lewis, Jr., for legislation to further amend the laws relating to motor vehicle insurance rates.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- S 1048 - Petition of Authur Joseph Lewis, Jr., for legislation relative to the issuance of medical malpractice insurance.  
Hearing date Mar 13 am.  
Ought NOT to Pass.
- S 1049 - Petition of Arthur Joseph Lewis, Jr., for legislation to further regulate domestic insurance companies.  
Hearing date Feb 25 am.  
Ought NOT to Pass.
- S 1050 - Petition of Arthur Joseph Lewis, Jr., for legislation relative to certain motor vehicle liability policies and bonds.  
Hearing date Mar 6 am.  
Ought NOT to Pass.
- S 1051 - Petition of Arthur Joseph Lewis, Jr., for legislation relative to certain motor vehicle liability policies and bonds.  
Hearing date Mar 6 am.  
Ought NOT to Pass.
- S 1052 - Petition of Arthur Joseph Lewis, Jr., for legislation relative to investment practices of life insurance companies.  
Hearing date Feb 25 am.  
Favorable report. Substituted in part by S. 1054.  
Consolidation - See H. 6886.
- S 1053 - Petition of Arthur Joseph Lewis, Jr., for legislation relative to the conversion of domestic mutual life insurance companies.  
Hearing date Feb 25 am.  
Accompanied H. 5965.
- S 1054 - Petition of Arthur Joseph Lewis, Jr., for legislation to regulate domestic insurance companies.  
Hearing date Feb 25 am.  
Substituted in part for S. 1052.  
Consolidation - See H. 6886.



- S 1055 - Petition of Arthur Joseph Lewis, Jr., for legislation to further regulate the licensing of insurance agents and brokers.  
Hearing date Apr 9 am.  
Accompanied H. 5965.
- S 1056 - Petition of Brian P. Curtin and Mary L. Padula for legislation to increase the amount of minimum group life insurance of public employees to five thousand dollars. Hearing date Feb 20 am.  
Ought Not to Pass.
- S 1057 - Petition of Mary L. Padula for legislation relative to group insurance for active and retired public employees.  
Hearing date Feb 20 am.  
Accompanied H. 5965.
- S 1058 - Petition of Martin T. Reilly for legislation to require home care services to be included in group health insurance policies, employees health and welfare funds, group hospital service contracts and group medical service contracts.  
Hearing date Mar 4 am.  
Ought NOT to Pass.
- S 1059 - Petition of William G. Joy, Sr., Nancy H. Joy, Anne C. Joy and Robert D. Wetmore for legislation to prohibit merit rating surcharges to be assessed against all members of a family because of surcharges levied against one or more members of said family.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- S 1631 - Petition of John A. Brennan, Jr., Edward L. Sweda, Jr., Lawrence R. Alexander, Peter A. Vellucci, John E. McDonough and other members of the General Court for legislation to reduce insurance rates for nonsmokers.  
Hearing date Feb 27 am.  
Ought NOT to Pass, referred to committee on Senate Steering and Policy; ordered to a third reading.
- S 1632 - Petition of Robert C. Buell for legislation relative to the application of motor vehicle insurance rates on certain licensed operators.  
Hearing date Mar 6 am.  
Ought NOT to Pass; referred to Senate Steering and Policy, Substituted, Bill rejected.
- S 1633 - Petition of H. Eugene Carr, Paul D. Harold, Royall H. Switzler, Francis F. Alexander and Mary Jane McKenna for legislation to further authorize insurance agreements among governmental bodies.  
Hearing date Apr 9 am.  
Ought NOT to Pass.

- S    1634 - Petition of William R. Keating for legislation to  
require insurance coverage for electrical contractors.  
Hearing date Mar 20 am.  
Ought NOT TO Pass, referred to committee on Senate  
Steering and Policy; referred to committee on Senate  
Ways and Means.
  
- S    1635 - Petition of William R. Keating for legislation to  
provide insurance credits for homeowners who install  
certain smoke detection systems in their homes.  
Hearing date Feb 25 am.  
Ought NOT to Pass.
  
- S    1636 - Petition of William R. Keating for legislation relative  
to the issuance of merit rating rebate checks.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
  
- S    1637 - Petition of William R. Keating for legislation relative  
to the safe driver insurance plan.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
  
- S    1638 - Petition filed at the request of Sydney Butkovitz for  
legislation relative to the operation of health service  
corporations and medical service corporations.  
Hearing date Feb 27 am.  
Accompanied H. 5962.
  
- S    1639 - Petition of Michael LoPresti, Jr., for legislation  
affecting beneficiaries of health maintenance organiza-  
tions.  
Hearing date Mar 4 am.  
Ought NOT to Pass.
  
- S    1640 - Petition of William Q. MacLean, Jr., for legislation  
relative to the group insurance of public employees.  
Hearing date Feb 20 am.  
Favorable report. Ordered to a third reading.
  
- S    1641 - Petition of William Q. MacLean, Jr., for legislation  
to require interest payment on life insurance policy  
cash surrender value.  
Hearing date Feb 25 am.  
Favorable report; referred to committee on Senate  
Steering and Policy, referred to committee on  
Senate Ways and Means.
  
- S    1642 - Petition of Linda J. Melconian for legislation relative  
to compulsory motor vehicle liability insurance.  
Hearing date Mar 6 am.  
Accompanied H. 5965.

- S 1643 - Petition of Linda J. Melconian for legislation relative to compulsory insurance coverage for damages caused by uninsured motorists.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- S 2099 - Order (offered by Mr. Lewis) relative to authorizing the joint committee on Insurance to sit during the current session of the General Court for the purpose of making an investigation and study relative to the conversion of domestic mutual life insurance companies.  
Hearing date Apr 9 am.  
Ought NOT to be adopted. Referred to Senate Steering and Policy, adopted.
- S 2152 - Petition of Linda J. Melconian and Francis D. Doris for legislation to prohibit discrimination with respect to insurance contracts.  
Hearing date Mar 20 am.  
Ought NOT to Pass, referred to committee on Senate Steering and Policy, New draft substituted, see S. 2647.
- S 2153 - Petition of Linda J. Melconian and John P. Houston for legislation to increase competition and reduce costs in auto insurance.  
Hearing date Apr 9 am.  
New draft substituted, see S. 2590, as amended.
- S 2160 - Petition of David H. Locke and Ellen M. Canavan for legislation to increase the amount of retirement benefit which may be paid by the Needham Firemen's Mutual Relief, Inc.  
Hearing date Apr 9 am.  
Accompanied by H. 5861, Signed by the Governor, Chapter 215 Acts.
- S 2165 - Petition of Linda J. Melconian, Martin T. Reilly, John P. Burke, Richard R. Tisei, Joseph B. McIntyre and other members of the General Court for legislation relative to liquor legal liability insurance.  
Hearing date Apr 9 am.  
Accompanied a new draft, See S. 2263.
- S 2174 - Petition of Joseph B. Walsh for legislation to further protect the confidentiality of patients receiving mental health care.  
Hearing date Apr 23 am.  
Accompanied a study order, See S. 2291.  
Reported in part. Passed to be engrossed.
- S 2258 - Petition of Linda J. Melconian, John P. Houston, Sandra Graham and Thomas M. Gallagher for legislation to require fair and open insurance agent licensing exams.  
Committee recommended ought to pass with an amendment, substituting therefore a new draft, see S. 2530.



- S    2263 - Bill relative to liquor legal liability insurance.  
New draft of S. 2165.  
Substituted by H. 6508 as amended.
  
- S    2291 - Order relative to authorizing the Joint Committee  
on Insurance to sit during the current session and  
recess of the General Court for the purposes of  
making an investigation and study of certain current  
Senate and House documents.  
Report favorable.  
Discharged to Senate Rules.  
S. 2174 reported in part.
  
- S    2297 - Bill relative to freedom of choice of health  
insurance by certain consumers.  
New draft of S. 1038.  
Signed by the Governor, Chapter 615 Acts.
  
- S    2446 - Bill relative to life and health insurers.  
New draft of H. 633, H. 2794, H. 4070, H. 4071.  
Reported favorably.
  
- S    2481 - Petition of Robert C. Buell, Richard R. Silva,  
Patricia G. Fiero and Anthony J. Verga for legisla-  
tion relative to commercial fishing vessel insurance.  
Accompanied a study order, see S. 2549.
  
- S    2530 - Bill to require fair and open insurance agent  
licensing exams.  
New draft for S. 2258.  
Ordered to a third reading.
  
- S    2549 - Order relative to authorizing the Joint Committee on  
Insurance to sit during the current session and recess  
of the General Court for the purpose of making an  
investigation and study of current Senate document  
2481, relative to commercial fishing vessel insurance.  
New draft of S. 2481.  
Reported favorably.
  
- S    2557 - Text of the amendment, recommend by the Senate Committee  
on Bills in the Third Reading, to engrossed bill regul-  
ating certain health care plan restrictions.  
See S. 2297.
  
- S    2562 - Bill to ensure medical care for pregnant women and  
teenagers.  
New draft of S. 1037, signed by the Governor,  
Chapter 715 Acts.
  
- S    2590 - Bill to increase competition and reduce costs in  
automobile insurance.  
New draft of S. 2153.  
Read Second.

- S 2621 - Petition of William B. Golden, Roger R. Goyette, Argeo Paul Cellucci, John P. Burke and other members of the Senate for legislation to respond to insurance failures in the marketplace.  
Hearing date Dec 16 am.  
Accompanied a new draft, see S. 2657.
- S 2622 - Petition of William B. Golden, Roger R. Goyette, William Q. MacLean, Jr., Carol C. Amick, John P. Burke, Paul D. Harold and Mary L. Padula for legislation relative to pollution liability insurance.  
Hearing date Dec 16 am.  
Ought NOT to Pass.
- S 2647 - Bill prohibiting discrimination with respect to insurance contracts.  
Substituted for S. 2152.  
Ordered to Third reading.
- S 2657 - Bill to respond to insurance failures in the market place.  
New draft of S. 2621.  
Reported favorably.  
See New Draft, S. 2677.
- S 2677 - Bill to establish Hazardous Waste Insolvency Fund.  
New draft for S. 2657.  
Passed to be engrossed.

- H 52 - So much of the recommendation of the Executive Office of Consumer Affairs as relates to requiring every professional liability insurer to notify the Board of Registration in Medicine whenever it pays a judgment or settlement in excess of ten thousand dollars.  
Hearing date Mar 13 am.  
Ought NOT to Pass.
- H 93 - So much of the recommendations of the Department of Elder Affairs as relates to providing for an investigation and study by a special commission relative to developing private long term care insurance.  
Hearing date Feb 27 am.  
Ought Not to Pass.
- H 94 - So much of the recommendations of the Department of Elder Affairs as relates to costs of inpatient services which are determined to be not medically necessary.  
Hearing date Feb 27 am.  
Accompanied a new draft, See H. 5971.
- H 256 - So much of the recommendations of the Department of Public Safety as relates to requiring fire insurance companies to contribute certain costs for fire protection.  
Hearing date Feb 25 am.  
Ought NOT to Pass.
- H 363 - Petition of the Mass. Cuna Credit Union Association, Inc., and another relative to increasing the amount and term of life insurance on loans to be made by credit unions.  
Hearing date Apr 23 am.  
Accompanied H. 1755.
- H 437 - Petition of William A. Carey for legislation to increase the tort threshold, tort benefit levels and minimum limits of liability under the motor vehicle insurance law.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- H 438 - Petition of William J. Flynn, Jr., for legislation to prohibit discrimination relative to insurance contracts.  
Hearing date Mar 20 am.  
Accompanied a new draft, see H. 6193.
- H 439 - Petition of the Retired State, County & Municipal Employees Association of Mass., and Francis H. Woodward relative to group insurance for state employees and retired state employees.  
Hearing date Feb 20 am.  
Discharged to the committee on Public Service.



- H 625 - Petition of James T. Brett for legislation to provide that classifications of risks and premium charges for motor vehicle liability insurance be uniform throughout the Commonwealth.  
Hearing date Mar 6 am.  
Ought NOT to Pass.
- H 626 - Petition of Walter A. DeFilippi, Christopher J. Hodgkins, Mary Jane McKenna, Michael P. Walsh, Steven D. Pierce and Kenneth M. Lemanski relative to further regulating the imposition of surcharges on motor vehicle insurance policies.  
Hearing date Mar 11 am.  
Accompanied H. 5965.
- H 627 - Petition of Walter A. DeFilippi, Mary Jane McKenna, Michael P. Walsh and Kenneth M. Lemanski relative to the imposition of surcharges on motor vehicle insurance policies.  
Hearing date Mar 11 am.  
Accompanied H. 5965.
- H 628 - Petition of Salvatore F. DiMasi and other members of the General Court relative to the right of defendants in motor vehicle cases to select their own attorney.  
Hearing date Mar 6 am.  
Ought NOT to Pass.  
Recommitted, Accompanied H. 6475.
- H 629 - Petition of Kevin W. Fitzgerald relative to the purchase of professional liability insurance coverage for dentists and other related dental specialties.  
Hearing date Mar 13 am.  
Ought NOT to Pass.
- H 630 - Petition of Kevin W. Fitzgerald for legislation to require insurance binders to be accepted as evidence of insurance coverage.  
Hearing date Mar 20 am.  
Reported favorably, read third;  
New draft substituted, see H. 6139.
- H 631 - Petition of the Massachusetts Retired Police and Firefighters Association and Michael J. McGlynn for legislation to reduce premiums for homeowners insurance for certain elderly persons.  
Hearing date Feb 25 am.  
Ought NOT to Pass.
- H 632 - Petition of Joseph B. McIntyre for legislation to prohibit discrimination relative to insurance contracts.  
Hearing date Mar 20 am.  
Accompanied a new draft, See H. 6193.

- H 633 - Petition of Joseph B. McIntyre for legislation to require all companies selling life insurance or annuities in the Commonwealth to pay into an insolvency fund.  
Hearing date Mar 13 am.  
Accompanied a new draft, See S. 2446.
- H 634 - Petition of Joseph B. McIntyre relative to insurable interest in certain vehicles.  
Hearing date Mar 6 am.  
Ought NOT to Pass.
- H 635 - Petition of Joseph B. McIntyre for legislation to increase the amount of policies which savings and insurance banks may have in force at any one time on any one life.  
Hearing date Feb 25 am.  
Ought NOT to Pass.
- H 636 - Petition of Joseph B. McIntyre relative to further clarifying fire insurance losses.  
Hearing date Feb 25 am.  
Accompanied by H. 3896, reported favorably;  
Recommitted, Accompanied H. 5961.
- H 637 - Petition of Joseph B. McIntyre for legislation to require that persons convicted of drunk driving be required to maintain higher bodily injury insurance coverage before such persons are reinstated with licenses to operate motor vehicles.  
Hearing date Mar 6 am.  
Ought NOT to Pass; Recommitted, Accompanied H. 6475.
- H 638 - Petition of Joseph B. McIntyre that life insurance companies be required to communicate with certain policyholders whose insurance or annuity has been paid in full.  
Hearing date Feb 25 am.  
Ought NOT to Pass.
- H 639 - Petition of Michael P. Walsh relative to the limits of liability for uninsured and underinsured motor vehicle insurance coverage.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- H 640 - Petition of Thomas P. White for certain changes relative to motor vehicle insurance in the law regulating charges for accidents in the classifications of risks and premiums.  
Hearing date Mar 11 am.  
Ought NOT to Pass.

- H 641 - Petition of Thomas P. White relative to the availability of insurance coverage for motorized bicycles. Hearing date Mar 6 am. Ought NOT to Pass.
- H 642 - Petition of Thomas P. White for legislation to authorize municipalities and private employers to establish group self-insurance trust funds. Hearing date Feb 20 am. Accompanied by H. 1187. Reported favorably, referred to the committee on House Ways and Means; Discharged, recommitted Insurance. Accompanied a new draft, see H. 6961.
- H 805 - Petition of William R. Delaney and James T. Brett for legislation to include chiropractic services in health maintenance organization coverage. Hearing date Mar 13 am. Reported favorably, referred to committee on Senate Ways and Means.
- H 806 - Petition of Frank N. Costa and Peter C. Webber for legislation to increase the tort threshold in damages for pain and suffering in actions arising out of the operation of motor vehicles. Hearing date Mar 11 am. Ought NOT to Pass.
- H 807 - Petition of John F. Cox relative to certain insurance companies assigning policies and contracts to separate accounts. Hearing date Feb 25 am. Reported favorably, Signed by the Governor, Chap. 622 Acts.
- H 808 - Petition of Joan M. Menard for legislation to require the inclusion of the mentally retarded in certain insurance policies. Hearing date Mar 20 am. Accompanied S. 299.
- H 809 - Petition of Susan D. Schur for legislation to require the inclusion of home care services in group health insurance policies and other medical service contracts. Hearing date Mar 4 am. Ought NOT to Pass.
- H 859 - Petition of Mary Jeanette Murray for legislation to require the Registrar of Motor Vehicles to notify local police departments of the cancellation of a motor vehicle insurance policy. Hearing date Mar 20 am. Accompanied H. 6585.



- H 928 - Petition of Peter A. Vellucci and Thomas M. Gallagher for legislation to modify the application for mortgage loans to make information available to banks relative to potential arson customers.  
Hearing date Mar 12 pm  
Accompanied H. 5965.
- H 1008 - Petition of Joseph M. Connolly relative to merit rating surcharges by insurance companies.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- H 1009 - Petition of Mary Jeanette Murray relative to the insurance coverage of early intervention services.  
Hearing date Feb 27 am.  
Reported favorably, read third, New draft substituted, See H. 6934.
- H 1010 - Petition of Peter A. Vellucci and Thomas M. Gallagher for legislation to modify the application for insurance against loss by fire in order to more readily identify arson target buildings.  
Hearing date Feb 25 am.  
Accompanied H. 5965.
- H 1011 - Petition of Peter A. Vellucci and Thomas M. Gallagher for legislation to strengthen disclosure provisions of the law regulating insurance contracts against losses by fire.  
Hearing date Feb 25 am.  
Accompanied H. 5965.
- H 1012 - Petition of Francis H. Woodward relative to the credit under the "safe driver insurance plan".  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- H 1183 - Petition of William A. Carey relative to the printing of insurance policies.  
Hearing date Mar 20 am. Reported favorably.  
Signed by the Governor, Chapter 137 Acts.
- H 1184 - Petition of William A. Carey that the Commissioner of Insurance be required to periodically inspect and examine the financial condition of domestic insurance companies.  
Hearing date Mar 20 am.  
Accompanied a new draft, See H. 5964.
- H 1185 - Petition of Salvatore Ciccarella for legislation to regulate credit life insurance and credit accident health insurance.  
Hearing date Mar 13 am.  
Accompanied H. 5965, discharged from a part of H. 5965.  
Accompanied a new draft, See H. 6842.

- H 1186 - Petition of Frank N. Costa for legislation to provide for compulsory property damage motor vehicle insurance. Hearing date Apr. 9 am. Ought NOT to Pass.
- H 1187 - Petition of the Associated General Contractors of Massachusetts, Inc., and John F. Cox for legislation to authorize groups of employers to form mutual insurance associations. Hearing date Apr 9 am. Accompanied H. 642.
- H 1188 - Petition of A. Joseph DeNucci, Jack H. Backman and another relative to certain mental health and alcoholism treatment benefits to be covered by health insurance coverage and other medical contracts. Hearing date Mar 4 am. Accompanied H. 5965.
- H 1189 - Petition of A. Joseph DeNucci that life insurance companies be required to communicate with certain policyholders whose insurance or annuity has been paid in full. Hearing date Feb 25 am. Ought NOT to Pass.
- H 1190 - Petition of Frank A. Emilio and another relative to authorizing the Commissioner of Insurance to license certain persons to sell securities. Hearing date Apr 9 am. Accompanied H. 5965.
- H 1191 - Petition of William E. Moriarty relative to further regulating the payment of certain automobile insurance claims under the safe driver insurance plan. Hearing date Mar 11 am. Ought NOT to Pass.
- H 1192 - Petition of Richard J. Rouse relative to the amount of insurance required for certain urban replacements. Hearing date Feb 25 am. Ought NOT to Pass.
- H 1193 - Petition of Anthony M. Scibelli that provision be made for the Commonwealth to assume the cost of medical insurance for all teachers in the public schools. Hearing date Feb 20 am. Ought NOT to Pass.
- H 1194 - Petition of Francis H. Woodward, Frank A. Emilio and another relative to the replacement of life insurance. Hearing date Feb 25 am. Reported favorably, read third; New draft substituted, see H. 6896.

- H 1384 - Petition of Joseph F. McEvoy, Jr., and Frank A. Emilio relative to the regulation and control of the conduct of insurers not authorized to conduct the business of insurance within the Commonwealth.  
Hearing date Feb 25 am.  
Reported by committee to Clerk's Office for processing.
- H 1385 - Petition of Frank A. Emilio for legislation relative to the licensing requirements for insurance agents.  
Hearing date Feb 25 am.  
Ought NOT to Pass.
- H 1386 - Petition of Frank A. Emilio for legislation to authorize insurance companies to invest in mortgage pass through certificates.  
Hearing date Feb 25 am.  
Accompanied H. 5965.
- H 1387 - Petition of Mary Jane McKenna relative to regulating agreements between insurance agents and brokers and financial institutions.  
Hearing date Apr 9 am.  
Accompanied H. 5965.
- H 1388 - Petition of Thomas J. Vallely and Nicholas J. Buglione for legislation to prohibit the use of the driving records of state employees driving state cars in the course of their official duties in determining credits or surcharges for personal motor vehicle insurance.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- H 1577 - Petition of Sherwood Guernsey and Albert Herren for legislation to amend the laws concerning motor vehicle personal injury insurance and claims therefor.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- H 1578 - Petition of Frank M. Hynes for legislation relative to premium credits on motor vehicle insurance policies.  
Hearing date Mar 11 am.  
Reported favorably, recommitted to the Committee on Senate Bills in the Third Reading.
- H 1751 - Petition of Theodore J. Aleixo, Jr., for legislation to permit dentists and other related dental specialists to purchase professional liability insurance coverage.  
Hearing date Mar 13 am.  
Ought NOT to Pass.
- H 1752 - Petition of Theodore J. Aleixo, Jr., relative to regulating the payment of fire insurance damage claims.  
Hearing date Feb 25 am.  
Accompanied H. 2410.



- H 1753 - Petition of Theodore J. Aleixo, Jr., for legislation to regulate the payment of fire damage claims.  
Hearing date Feb 25 am.  
Accompanied H. 2410
- H 1754 - Petition of Theodore J. Aleixo, Jr., relative to motor vehicle insurance.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- H 1755 - Petition of M. Joseph Manning for legislation to increase the amount of insurance on debtors of a bank, association, financial or other institution.  
Hearing date Mar 13 am.  
Reported favorably, Signed by the Governor,  
Chapter 237 Acts.
- H 1873 - Petition of Michael J. McGlynn and another relative to increasing the scope of the special commission (including members of the General Court) established to make an investigation and study concerning non-profit medical service corporations.  
Hearing date Feb 27 am.  
Accompanied a new draft, See H. 6099.
- H 1874 - Petition of Michael J. McGlynn and another for legislation to establish an automobile damage appraiser and collision repair facility licensing board in the Division of Insurance.  
Hearing date Mar 6 am.  
Discharged to the committee on Government Regulations.
- H 1875 - Petition of Gregory W. Sullivan for legislation to regulate the payment of insurance benefits for certain accidents.  
Hearing date Mar 20 am.  
Discharged to the committee on Commerce and Labor.
- H 1876 - Petition of Gregory W. Sullivan for legislation to create an auto body repair advisory board in the Division of Insurance.  
Hearing date Mar 6 am.  
Ought NOT to Pass.
- H 1877 - Petition of Gregory W. Sullivan for legislation to remove limitations restricting the amount of life insurance policies which savings and insurance banks may have in force at any one time.  
Hearing date Feb 25 am.  
Ought NOT to Pass.
- H 1878 - Petition of Gregory W. Sullivan relative to automobile liability insurance on certain commercial vehicles.  
Hearing date Mar 6 am.  
Accompanied H. 5965.

- H 2019 - Petition of Salvatore F. DiMasi and other members of the House relative to credit life and credit accident and health insurance sold in connection with consumer credit transactions.  
Hearing date Mar 13 am.  
Accompanied H. 5965.
- H 2020 - Petition of Richard T. Moore relative to automobile insurance.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- H 2021 - Petition of William D. Mullins for legislation to provide for the prompt payment of claims under accident and sickness insurance policies.  
Hearing date Mar 4 am.  
Ought NOT to Pass.
- H 2022 - Petition of Philip Travis for legislation relative to the selling of insurance.  
Hearing date Apr 9 am.  
Accompanied H. 5965.
- H 2198 - Petition of Bruce N. Freeman relative to pre-existing health conditions under certain group accident and health insurance policies insuring students attending educational institutions.  
Hearing date Mar 4 am.  
Ought NOT to Pass.
- H 2199 - Petition of Bruce N. Freeman for legislation to further authorize joint agreements among governmental units relative to insurance.  
Hearing date Apr 9 am.  
Ought NOT to Pass, referred to Committee on House Ways and Means.
- H 2200 - Petition of Francis G. Mara and Richard A. Voke relative to insurance benefits for mental illness.  
Hearing date Mar 4 am. Ordered to a third reading.  
Accompanied H. 5965.
- H 2201 - Petition of Susan C. Tucker relative to motor vehicle insurance.  
Hearing date Mar 6 am.  
Ought NOT to Pass.
- H 2402 - Petition of Steven Angelo and Robert A. Durand relative to motor vehicle insurance surcharges.  
Hearing date Mar 11 am.  
Ought NOT to Pass.

- H 2403 - Petition of Mary Jane Gibson, other members of the General Court and others for legislation to prohibit discrimination with respect to insurance contracts. Hearing date Mar 20 am. Accompanied a new draft, See H. 6193.
- H 2404 - Petition of Mary Jane Gibson, other members of the General Court and another relative to prohibiting discrimination in disability insurance policies and the determination of premiums and benefits payable relative to disability insurance. Hearing date Mar 20 am. Accompanied a new draft, See H. 6193.
- H 2405 - Petition of Richard A. Voke for legislation to require insurance companies, hospital service corporations and medical service corporations to provide certain preventive care services for children. Hearing date Feb 27 am. Accompanied a new draft, see H. 6257.
- H 2406 - Petition of Michael P. Walsh and John F. Cox for legislation to expand the protection of the Insurance Insolvency Fund. Hearing date Mar 13 am. Reported favorably, Recommitted, Ought NOT to Pass (Under Joint Rule 10) Recommitted, Accompanied H. 6586.
- H 2407 - Petition of Michael P. Walsh and Salvatore Ciccarella for legislation to require annual reports by property and casualty insurers. Hearing date Feb 25 am. Accompanied H. 6455.
- H 2408 - Petition of W. Paul White for legislation to provide that classifications of risks and premium charges for motor vehicle liability insurance be uniform throughout the Commonwealth. Hearing date Mar 11 am. Ought NOT to Pass.
- H 2409 - Petition of Francis H. Woodward and Michael P. Walsh that provision be made for the disclosure and dissemination of fire insurance information. Hearing date Feb 25 am. Reported favorably, Signed by the Governor, Chapter 138 Acts.
- H 2410 - Petition of Francis H. Woodward relative to further regulating the payment of the proceeds of certain insurance policies. Hearing date Feb 25 am. Accompanied by H. 1752, H. 1753, and H. 3711. Reported favorably, new draft substituted, see H. 6637.



- H 2573 - Petition of Salvatore F. DiMasi for legislation to provide insurance rebates for motorists who use overnight off-street parking.  
Hearing date Mar 6 am.  
Ought NOT to Pass.
- H 2574 - Petition of William F. Galvin for legislation to require life insurers to furnish certain cost disclosure information to purchasers of life insurance.  
Hearing date Feb 25 am.  
Ought NOT to Pass.
- H 2794 - Petition of Lawrence R. Alexander and other members of the House for legislation to establish the Massachusetts life and health insurance guaranty association act.  
Hearing date Mar 13 am.  
Accompanied a new draft, see S. 2446.
- H 2795 - Petition of Lawrence R. Alexander and other members of the House that provision be made for lower insurance rates for non-smokers.  
Hearing date Feb 27 am.  
Ought NOT to Pass.
- H 2796 - Petition of Lawrence R. Alexander for legislation to increase the amount of policies which savings and insurance banks may have in force at any one time on any one life.  
Hearing date Feb 25 am.  
Ought NOT to Pass.
- H 2797 - Petition of Lawrence R. Alexander, Salvatore F. DiMasi and Carmen D. Buell for legislation to require that persons convicted of drunk driving be required to maintain higher bodily injury insurance coverage before such persons are reinstated with licenses to operate motor vehicles.  
Hearing date Mar 6 am.  
Ought NOT to Pass; Recommitted, Accompanied H. 6475.
- H 2798 - Petition filed at the request of Melvin E. Silberstein for legislation to require compulsory motor vehicle liability insurance for each licensed operator instead of each motor vehicle for the purpose of establishing just and reasonable insurance rates.  
Hearing date Mar 6 am.  
Ought NOT to Pass.
- H 2799 - Petition filed at the request of Melvin E. Silberstein for legislation to prohibit the use of geographical location in setting motor vehicle insurance rates.  
Hearing date Mar 6 am.  
Ought NOT to Pass.

- H 2800 - Petition of Michael P. Walsh and Robert L. Howarth relative to investment advisors of domestic life insurance companies.  
Hearing date Feb 25 am.  
Reported favorably; Signed by the Governor,  
Chapter 336 Acts.
- H 2801 - Petition of Michael P. Walsh and William P. Nagle, Jr., that the Commissioner of Insurance be required to establish a rate schedule plan for auto body shops.  
Hearing date Mar 6 am.  
Discharged to the committee on Government Regulations.
- H 2969 - Petition of Salvatore Ciccarelli and Marie J. Parente for legislation to regulate credit life insurance and credit accident health insurance.  
Hearing date Mar 13 am.  
Accompanied H. 5965.
- H 2970 - Petition of William Constantino, Jr., and Gerard D'Amico for legislation to include custodial or nursing home care costs in health insurance policies of persons with Alzheimer's disease.  
Hearing date Feb 27 am.  
Accompanied H. 5965.
- H 2971 - Petition of Barbara E. Gray, Thomas M. Gallagher, Christopher J. Hodgkins, Salvatore F. DiMasi and Sherwood Guernsey relative to amending the health insurance laws to provide for continuing coverage for spouses of deceased persons.  
Hearing date Feb 27 am.  
Accompanied H. 5965.
- H 2972 - Petition of Sherwood Guernsey, Barbara E. Gray, Thomas M. Gallagher and another that provision be made for reimbursement by insurance companies and others for services performed by certified nurse midwives.  
Hearing date Feb 27 am.  
Discharged to the committee on Health Care.
- H 2973 - Petition of Marie-Louise Kehoe, Frances F. Alexander, Andrew S. Natsios, Eleanor Myerson, Mary Jane Gibson and Joseph N. Hermann for legislation to increase the amount of money fire insurance companies are required to contribute to certain costs for fire protection.  
Hearing date Feb 25 am.  
Discharged to the committee on House Ways and Means.
- H 2974 - Petition of Marie-Louise Kehoe and other members of the House relative to insurance rights of retired public employees.  
Hearing date Apr 9 am.  
Ought NOT to Pass; Recommitted, referred to committee on House Ways and Means.

- H 2975 - Petition of Marie-Louise Kehoe, Gregory W. Sullivan, Frances F. Alexander, Walter A. DeFilippi, Robert A. Vigneau and Joseph N. Hermann for legislation to regulate certain insurance charges in homeowners policies.  
Hearing date Feb 25 am.  
Ought NOT to Pass; Recommitted, Accompanied a study order, See S. 2291.
- H 3163 - Petition of the Massachusetts Co-operative Bank League and John F. Cusack for legislation to further regulate the cancellation of certain fire insurance policies and contracts.  
Hearing date Mar 20 am.  
Ought NOT to Pass.
- H 3323 - Petition of Frances F. Alexander and Marie-Louise Kehoe for legislation to further provide for medical service insurance coverage for certain employees and survivors.  
Hearing date Apr 9 am.  
Ought NOT to Pass.
- H 3324 - Petition of Thomas M. Gallagher, George Bachrach, Carmen D. Buell, Geoffrey C. Beckwith, Barbara E. Gray and Joseph B. McIntyre for an investigation by a special commission (including members of the General Court) relative to determining the feasibility of establishing an auto insurance company owned and operated by the Commonwealth.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- H 3325 - Petition of Emanuel G. Serra for legislation to require annual reports by property and casualty insurers.  
Hearing date Mar 13 am.  
Accompanied H. 6455.
- H 3326 - Petition of Theodore C. Speliotis relative to the safe driver insurance plan.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- H 3327 - Petition of Theodore C. Speliotis for legislation to further regulate the payment of certain automobile insurance claims.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- H 3328 - Petition of J. Bert Swain for legislation to protect insured persons from unfair claim settlement practices.  
Hearing date Apr 9 am.  
Ought NOT to pass



- H 3477 - Petition of James T. Brett and another relative to medical insurance for parole officers and parole supervisors of the Parole Board.  
Hearing date Mar 20 am.  
Ought NOT to Pass.
- H 3478 - Petition of Michael F. Flaherty that provision be made for ambulance services under certain medical service corporation contracts.  
Hearing date Mar 20 am.  
Ought NOT to Pass.
- H 3479 - Petition of Michael F. Flaherty for legislation to further regulate the disbursement of insurance proceeds.  
Hearing date Mar 20 am.  
Ought NOT to Pass.
- H 3480 - Petition of Theodore C. Speliotis for legislation to require certain surcharges to be paid within six months of issuance to motor vehicle insurance policyholders.  
Hearing date Apr 9 am.  
Ought NOT to Pass.
- H 3707 - Petition of the Massachusetts Co-operative Bank League and Salvatore Ciccarella relative to the insurance of certain loans made by banks.  
Hearing date Mar 13 am.  
Accompanied a study order, see S. 2291.
- H 3708 - Petition of Christopher J. Hodgkins that provision be made for lower insurance rates for non-smokers.  
Hearing date Mar 20 am.  
Ought NOT to Pass.
- H 3709 - Petition of Emanuel G. Serra for legislation to prohibit discrimination relative to insurance contracts.  
Hearing date Mar 20 am.  
Accompanied a new draft, see H. 6193.
- H 3710 - Petition of Emanuel G. Serra for legislation to prohibit discrimination in disability insurance policies and the determination of premiums and benefits payable relative to such policies.  
Hearing date Mar 20 am.  
Accompanied a new draft, See H 6193.
- H 3711 - Petition of Emanuel G. Serra relative to further regulating the payment of the proceeds of certain insurance policies.  
Hearing date Mar 20 am.  
Accompanied H. 2410.

- H 3712 - Petition of Emanuel G. Serra for legislation to increase the amount of group life insurance for state employees.  
Hearing date Mar 13 am.  
Discharged to the committee on House Ways and Means.
- H 3713 - Petition of Emanuel G. Serra for legislation to provide that automobile insurance premiums be based on individual driving records.  
Hearing date Mar 6 am.  
Ought NOT to Pass.
- H 3893 - Petition of John F. Cusack and William M. Glodis, Jr., that provision be made for the payment of certain insurance premiums on a monthly basis.  
Hearing date Mar 6 am.  
Ought NOT to Pass.
- H 3894 - Petition of John F. Cusack and another that the Commissioner of Insurance be granted jurisdiction over certain providers of health care benefits.  
Hearing date Apr 9 am.  
Discharged to the committee on House Ways and Means.
- H 3895 - Petition of Iris K. Holland for legislation to regulate the payment of certain automobile insurance claims.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- H 3896 - Petition of Bernard Glazier and Iris K. Holland relative to further clarifying fire insurance losses.  
Hearing date Mar 20 am.  
Accompanied H. 636.
- H 3897 - Petition of Iris K. Holland relative to the safe driver insurance plan.  
Hearing date Mar 11 am.  
Accompanied a study order, see S. 2291.
- H 3898 - Petition of Francis H. Woodward, Michael P. Walsh, Walter A. DeFilippi and Gregory W. Sullivan relative to revising the motor vehicle insurance laws.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- H 4069 - Petition of the Massachusetts Teachers Association, Theodore J. Aleixo, Jr., John A. Businger and Susan F. Rourke relative to permitting municipal employees to negotiate for certain insurance coverage.  
Hearing date Mar 13 am.  
Discharged to the committee on Public Service.
- H 4070 - Petition of Frank A. Emilio for legislation to establish a Massachusetts life and health insurers insolvency fund.  
Hearing date Mar 13 am.  
Accompanied a new draft, see S. 2446.

- H 4071 - Petition of Frank A. Emilio relative to domestic life insurance company investments.  
Hearing date Mar 13 am.  
Accompanied a new draft, see S. 2446.
- H 4115 - Petition of Kevin W. Fitzgerald for legislation to create the Massachusetts arson and fire prevention program.  
Discharged to the committee on Insurance.  
Discharged to the committee on House Ways and Means.
- H 4266 - Petition of Pamela McLaughlin relative to the rates for motor vehicle insurance charged to physically handicapped persons.  
Hearing date Mar 11 am.  
Accompanied a study order, see S. 2291.
- H 4267 - Petition of Raymond A. Jordan, Jr., Sandra Graham, Thomas M. Gallagher and William E. Moriarty for legislation to prohibit geographic discrimination in the granting of homeowners insurance.  
Hearing date Mar 13 am.  
Ought NOT to Pass.
- H 4268 - Petition of Francis G. Mara and another for legislation to increase the tort threshold in damages for pain and suffering in actions arising out of the operation of motor vehicles.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- H 4269 - Petition of William D. Mullins relative to the timely payment of insurance claims.  
Hearing date Mar 20 am.  
Ought NOT to Pass.
- H 4270 - Petition of William G. Robinson, Mary Jeanette Murray, John C. Bradford, Thomas G. Palumbo, Barbara E. Gray and Jacqueline Lewis relative to the fixing and establishment of classification of risks on certain handicapped and veteran insureds for motor vehicle insurance rates.  
Hearing date Mar 11 am.  
Accompanied a study order, see S 2291.
- H 4271 - Petition of Emanuel G. Serra relative to insurable interest in certain vehicles.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- H 4272 - Petition of Michael P. Walsh for legislation to revise the Massachusetts Insurers Insolvency Fund.  
Hearing date Mar 13 am.  
Accompanied H. 6455.



- H 4464 - Petition of Carmen D. Buell and Christopher J. Hodgkins relative to information on automobile insurance policies. Hearing date Mar 11 am. Ought NOT to Pass.
- H 4465 - Petition of William P. Nagle, Jr., for legislation to authorize the Commissioner of Insurance to establish a schedule of hourly rates paid by insurance companies to automobile body repair shops. Hearing date Mar 11 am. Discharged to Government Regulations.
- H 4636 - Petition of Robert B. Ambler for legislation to increase group life insurance and accidental death and dismemberment insurance for public employees. Hearing date Mar 13 am. Discharged to the committee on House Ways and Means.
- H 4637 - Petition of Robert B. Ambler and another relative to increasing basic insurance coverage for public employees. Hearing date Mar 13 am. Discharged to the committee on House Ways and Means.
- H 4638 - Petition of Charles Robert Doyle that classification of risks and premium charges under the compulsory motor vehicle liability insurance law be uniform throughout the Commonwealth. Hearing date Mar 11 am. Ought NOT to Pass.
- H 4639 - Petition of Edna Krinsky and another relative to further regulating the standard form of fire insurance policies. Hearing date Mar 13 am. Ought NOT to Pass.
- H 4640 - Petition of Roger R. Goyette relative to regulating the cancellation of motor vehicle insurance. Hearing date Mar 11 am. Ought NOT to Pass.
- H 4641 - Petition of Sherwood Guernsey for legislation to make auto insurance liability coverage for underinsured motor vehicles optional. Hearing date Mar 11 am. Ought NOT to Pass.
- H 4642 - Petition of Sherwood Guernsey relative to further regulating non-profit hospital service corporations. Hearing date Mar 13 am. Ought NOT to Pass.

- H 4643 - Petition of John F. MacGovern and another relative to further regulating the payment of certain automobile insurance claims.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- H 4644 - Petition filed at the request of William J. DeGregorio that provision be made for the reduction of rates for compulsory insurance on motor vehicles for certain students.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- H 4773 - Petition of Walter A. DeFilippi for legislation to prohibit increased motor vehicle insurance premiums or surcharges on policy holders in the same household based on the actions or status of any other drivers in the same household who possess their own motor vehicle insurance.  
Hearing date Apr 9 am.  
Ought NOT to Pass.
- H 4774 - Petition of Michael P. Walsh for legislation to require persons or organizations filing legislative proposals relative to mandating health coverage by insurance carriers to submit a report to the legislative committee having jurisdiction on the social and financial impact of such coverage.  
Hearing date Apr 9 am.  
Reported favorably. Bill rejected.
- H 4775 - Petition of Michael P. Walsh, Francis G. Mara and John F. Cox relative to the assigned risk plan of the motor vehicle insurance law.  
Hearing date Apr 9 am.  
Reported favorably. Accompanied H. 6586.
- H 4804 - Petition of Salvatore Ciccarella for legislation to clarify the security interest granted to premium finance companies.  
Discharged to the committee on Insurance.  
Ought NOT to Pass.
- H 4868 - Petition of the Mass. Building Trades Council, AFL-CIO, and Paul E. Caron for legislation to provide that certain health insurance coverage terminate due to the remarriage of the former spouse of a group member.  
Hearing date Mar 13 am.  
Ought NOT to Pass.
- H 4869 - Petition of Salvatore Ciccarella relative to the rates charged by insurance agents and brokers for certain insurance premiums.  
Hearing date Mar 13 am.  
Accompanied a study order, see S. 2291.

- H 4870 - Petition of Roger R. Goyette relative to the assessment of motor vehicle insurance surcharges.  
Hearing date Apr 9 am  
Ought NOT to Pass.
- H 4871 - Petition of Roger R. Goyette relative to increasing mandatory liability insurance coverage.  
Hearing date Apr 9 am.  
Ought NOT to Pass.
- H 4872 - Petition of the Massachusetts Municipal Association, Andrew S. Natsios, Royall H. Switzler, Barbara E. Gray and another relative to further defining education for certain group insurance purposes.  
Hearing date Mar 13 am.  
Ought NOT to Pass.
- H 4873 - Petition of Michael P. Walsh, Walter A. DeFilippi and Steven D. Pierce relative to the classification of risks in automobile insurance.  
Hearing date Apr 9 am. Reported favorably.  
Accompanied by S. 1040. Referred to House Ways and Means.
- H 5097 - Petition of the Professional Fire Fighters of Massachusetts and Salvatore Ciccarella relative to accidental insurance for police and fire fighters and a payment of a portion of premiums by municipalities.  
Hearing date Mar 20 am.  
Accompanied a study order, see S. 2291.
- H 5098 - Petition of Roger R. Goyette for an investigation and study by the Department of Marine Fisheries and the Department of Banking and Insurance relative to personal injury insurance for pleasure boat owners.  
Hearing date Mar 20 am.  
Reported favorably, referred to committee on House Ways and Means.
- H 5099 - Petition of Roger R. Goyette for legislation to require health and life insurance companies doing business in the Commonwealth to provide in-state or toll free telephone numbers for policy information.  
Hearing date Mar 20 am.  
Ought NOT to Pass.
- H 5284 - Petition of Thomas M. Finneran relative to establishing a comprehensive dental insurance plan for management employees of the Commonwealth.  
Hearing date Mar 20 am.  
Accompanied a study order, see S. 2291.
- H 5285 - Petition of Edna Krinsky and another for legislation to further regulate the cancellation or increase in coverage of automobile insurance.  
Hearing date Apr 9 am.  
Ought NOT to Pass.



- H 5286 - Petition of Roger R. Goyette relative to limiting motor vehicle insurance surcharges to convictions of operating to endanger.  
Hearing date Apr 9 am.  
Ought NOT to Pass.
- H 5287 - Petition of Mary Jane McKenna for legislation to regulate the payment of insurance claims for ambulance services.  
Hearing date Apr 9 am.  
Accompanied a new draft, see H. 5972.
- H 5288 - Petition of William G. Robinson and other members of the House that certain providers of health care be authorized to offer health maintenance services.  
Hearing date Apr 9 am.  
Ought NOT to Pass (Under Joint Rule 10).  
Recommitted, Accompanied H. 6586.
- H 5289 - Petition of Gregory W. Sullivan for legislation to provide insurance coverage under Blue Cross and Blue Shield and other medical service corporations for cardiac rehabilitation.  
Hearing date Apr 9 am.  
Accompanied a new draft, see H. 5973.
- H 5290 - Petition of Gregory W. Sullivan for legislation to require that owners of motorized bicycles carry compulsory motor vehicle personal liability insurance.  
Hearing date Apr 9 am.  
Ought NOT to Pass.
- H 5291 - Petition filed at the request of Lester V. Broman relative to further regulating motor vehicle liability insurance.  
Hearing date Apr 9 am.  
Ought NOT to Pass.
- H 5483 - Petition of Paul E. Caron for legislation to require insurance companies writing automobile insurance to file certain financial records and providing for a rebate or rate reduction to certain policyholders.  
Hearing date Apr 9 am.  
Ought NOT to Pass.
- H 5484 - Petition of Paul E. Caron, Paul Kollios, Carmen D. Buell and another for legislation to further regulate motor vehicle insurance.  
Hearing date Apr 9 am.  
Ought NOT TO Pass.
- H 5485 - Petition of Paul E. Caron for legislation to require persons convicted of drunk driving to purchase higher bodily insurance coverage before a license to operate is reinstated.  
Hearing date Apr 9 am.  
Ought NOT to Pass.

- H 5486 - Petition of Paul E. Caron for legislation to direct the Commissioner of Insurance to promulgate rules and regulations requiring insurance companies to reduce rates on collision insurance to persons who insure more than one automobile with such companies.  
Hearing date Apr 9 am.  
Ought NOT to Pass.
- H 5487 - Petition of Paul E. Caron relative to the effective date of safe driver credits under the motor vehicle liability insurance law.  
Hearing date Apr 9 am.  
Ought NOT to Pass, Recommitted, Accompanied H. 6475.
- H 5488 - Petition of Paul E. Caron for legislation to require "good samaritan" clauses in compulsory motor vehicle insurance policies.  
Hearing date Apr 9 am.  
Ought NOT to Pass.
- H 5489 - Petition of Paul E. Caron and Carmen D. Buell relative to merit surcharges under the motor vehicle liability insurance law.  
Hearing date Apr 9 am.  
Ought NOT to Pass.
- H 5490 - Petition of Angelo R. Cataldo that provision be made for a reduction of motor vehicle premium charges for certain disabled persons.  
Hearing date Apr 9 am.  
Accompanied a study order, see S. 2291.
- H 5491 - Petition of Angelo R. Cataldo for legislation to reduce certain motor vehicle insurance rates for disabled persons.  
Hearing date Apr 9 am.  
Accompanied a study order, see S. 2291.
- H 5492 - Petition of John F. Cusack and William J. Glodis, Jr., relative to insurance benefits for former members of the General Court.  
Hearing date Mar 20 am.  
Ought NOT to Pass.
- H 5493 - Petition of Thomas M. Finneran that provision be made for dental service insurance coverage for active and retired managers and their dependents.  
Hearing date Mar 20 am.  
Accompanied a study order, See S 2291.
- H 5494 - Petition of Sherwood Guernsey relative to making certain changes in the motor vehicle insurance laws.  
Hearing date Apr 9 am.  
Ought NOT to Pass.

- H 5495 - Petition of Steven D. Pierce for legislation to make certain changes in the motor vehicle insurance laws.  
Hearing date Mar 20 am.  
Reported favorably.  
Recommitted; Accompanied H. 6865.
- H 5496 - Petition of John J. Curtin, Jr., and Sherman W. Saltmarsh, Jr., relative to the regulation of sureties.  
Hearing date Mar 20 am.  
Ought NOT to Pass, Recommitted; Accompanied a study order, see S. 2291.
- H 5497 - Petition of Charles E. Silvia for legislation to authorize the Commissioner of Insurance to establish a comprehensive health insurance plan for certain former employees.  
Hearing date Mar 20 am.  
Ought NOT to Pass.
- H 5498 - Petition of Gregory W. Sullivan and Marjorie A. Clapprood that certain health insurance plans be required to include cardiac rehabilitation as a benefit.  
Hearing date Mar 20 am.  
Reported favorably.  
Signed by the Governor, Chapter 628 Acts.
- H 5499 - Petition of Royall H. Switzler relative to regulating increases in homeowners insurance.  
Hearing date Mar 20 am.  
Reported favorably; Recommitted, Accompanied H. 5961.
- H 5648 - So much of the message from His Excellency the Governor recommending legislation relative to making certain changes in the motor vehicle insurance laws and relative to the operation of motor vehicles with safety seat belts as relates to making certain changes in the motor vehicle insurance laws.  
Hearing date Mar 11 am.  
Ought NOT to Pass.
- H 5721 - Petition of the State Lottery Commission and Kevin W. Fitzgerald that said commission be authorized to provide insurance coverage for the property of said commission.  
Hearing date Mar 20 am.  
Ought NOT to Pass.
- H 5851 - Petition of Richard R. Tisei for legislation to increase the payment of certain death benefits to members of the Wakefield Police Relief Association, Inc., upon retirement from the police department of the town of Wakefield.  
Hearing date Apr 9 am.  
Reported favorably.  
Signed by the Governor, Chapter 62 Acts.



- H 5861 - Petition of Ellen M. Canavan for legislation to increase the amount of retirement benefit which may be paid by the Needham Fireman's Mutual Relief Fund, Inc. Hearing date Apr 9 am. Accompanied S. 2160.
  
- H 5868 - Petition of Francis F. Alexander and Marie-Louise Kehoe relative to the amount of retirement and death benefits which may be paid by the Beverly Police Relief Association, Inc. Hearing date Apr 22 am. Reported favorably. Signed by the Governor, Chapter 131 Acts.
  
- H 5946 - Petition filed at the request of Domenic J. Micale for legislation to prohibit interest rates on certain motor vehicle insurance policies. Ought NOT to Pass. Recommitted, Accompanied H. 6978.
  
- H 5961 - Order relative to authorizing the Committee on Insurance to make an investigation and study of certain House documents concerning homeowners insurance and fire insurance losses. Accompanied H. 636 and H. 5499. Reported favorably. Referred to House Ways and Means.
  
- H 5962 - Resolve increasing the scope of the special commission on medical service corporations established to make an investigation and study of the laws relating to non-profit hospital service corporations and nonprofit medical services corporations. Reported favorably. Referred to House Ways and Means.
  
- H 5964 - Bill to ascertain financial condition of insurers. New draft of H. 1184. Reported favorably. Referred to House Ways and Means.
  
- H 5965 - Order relative to authorizing the Committee on Insurance to make an investigation and study of certain Senate and House documents. Reported favorably. Discharged in part by H. 1185. Reported in part by H. 2200.
  
- H 5971 - Bill relative to costs of inpatient services which are determined to be not medically necessary. New draft of H. 94. Reported favorably, Bills in Third Reading, New draft, see H. 6579.

- H 5972 - Bill regulating the payment of insurance claims for ambulance services.  
New draft of H. 5287.  
Reported favorably; Bill rejected.
- H 5973 - Bill providing that certain providers of health care carriers offer health maintenance services.  
New draft of H. 5289.  
Reported favorably, read third, see H. 6356.
- H 6049 - Petition of Michael P. Walsh relative to further regulating motor vehicle insurance.  
Reported favorably.  
Signed by the Governor, Chapter 286 Acts.
- H 6071 - Petition of Francis H. Woodward, Michael P. Walsh and Francis G. Mara relative to the penalty for operating an uninsured motor vehicle.  
Reported favorably.  
Bills in the Third Reading new draft, see H. 6531.
- H 6099 - Resolve increasing the membership of the special commission established to make an investigation and study relative to nonprofit hospital services corporations and nonprofit medical services corporations.  
New draft of H. 1873.  
Reported favorably.  
Signed by the Governor, Chapter 4 Resolves.
- H 6139 - Bill relative to evidence of insurance required by mortgages.  
New draft of H. 630.  
Signed by the Governor, Chapter 187 Acts.
- H 6193 - Bill prohibiting discrimination with respect to insurance contracts.  
New draft of H. 438, H. 632, H. 2403, H. 2404, H. 3709, and H. 3710; Reported favorably.  
referred to House Ways & Means.
- H 6257 - Bill requiring insurance companies, hospital service corporations and medical service corporations to provide certain preventive care services for children.  
New draft H. 2405.  
Referred to Senate Ways and Means.
- H 6286 - Petition of Sherman W. Saltmarsh, Jr., that the Winchester Police Relief Association, Inc., be authorized to arrange for third party funding of benefits and to broaden the range of benefits which it may provide to its membership.  
Reported favorably.  
Signed by the Governor, Chapter 377 Acts.

- H 6356 - Bill providing that certain providers of health care services offer group health maintenance contracts. New draft substituted for H. 5973. Ordered to a Third Reading.
- H 6360 - Petition of Raymond A. Jordan, Jr., Royal L. Bolling, Jr., Royal L. Bolling, Sr., Byron Rushing, Gloria L. Fox and Sandra Graham that domestic insurance companies be authorized to invest in certain obligations of the African Development Bank. Reported favorably. Signed by the Governor, Chapter 321 Acts.
- H 6455 - Order relative to authorizing the Committee on Insurance to make an investigation and study of certain House documents concerning annual reports by property and casualty insurers and other related matters. Accompanied H. 2407, H. 3325, and H. 4272. Reported favorably, referred to House Ways and Means.
- H 6467 - Resolve providing for an investigation and study by a special commission for the purpose of examining the procedures of admitting certain drug-alcohol patients for detoxification and extended drug-alcohol education and rehabilitation by insurance companies. Substituted in part for S. 296. Signed by the Governor, Chapter 2 Resolves.
- H 6475 - Order relative to authorizing the Committee on Insurance to make an investigation and study of certain House documents regulating the rights of defendants to select attorneys under motor vehicle insurance laws, requiring persons convicted of driving under the influence to maintain higher insurance coverage and other related matters. Accompanied by H. 628, H. 637, H. 2797, H. 5485, and H. 5487; Reported favorably. Referred to House Ways and Means, reported in part by H. 5487.
- H 6477 - Bill providing services for the treatment of alcoholism. substituted for the residue of S. 296. Ordered to a Third Reading.
- H 6508 - Bill relative to liquor legal liability insurance printed as amended by the House on July 18. New draft of S. 2263. Signed by the Governor, Chapter 223 Acts.
- H 6531 - Bill relative to uninsured motor vehicles. Substituted for H. 6071 in Bills in Third Reading. Signed by the Governor, Chapter 806 Acts.



- H 6585 - Order relative to authorizing the Committee on Insurance to make an investigation and study of certain House document requiring the Registrar of Motor Vehicles to notify local police departments of the cancellation of a motor vehicle insurance policy.  
Accompanied H. 859.  
Reported favorably.  
Referred to House Ways & Means.
  
- H 6586 - Order relative to authorizing the committee on Insurance to make an investigation and study of certain House documents concerning the Insurers Insolvency Fund, the assigned risk plan under the motor vehicle insurance law and the regulation of health maintenance services.  
Accompanied H. 2406, H. 4775, and H. 5288.  
Reported favorably.  
Referred to House Ways and Means.
  
- H 6637 - Bill further regulating the payment of the proceeds of certain insurance policies.  
New draft of H. 2410  
Signed by the Governor, Chapter 464 Acts.
  
- H 6809 - Petition of Sherwood Guernsey and other members of the General Court relative to certain medical malpractice causes of action.  
Hearing date Nov 26 am.  
Reported favorably, New draft, See H. 7027.
  
- H 6829 - A message from His Excellency the Governor recommending legislation relative to medical malpractice insurance.  
Hearing date Nov 26 am.  
Reported favorably. Accompanied H. 7031.
  
- H 6831 - Proposed substitute bill relative to automobile insurance [printed as amended by the House on Oct. 29].  
Recommitted, Accompanied H. 6865.
  
- H 6833 - Petition of Thomas W. McGee for legislation to reduce compulsory motor vehicle insurance rates upon the effective date of the mandatory seat belt law, so-called.  
Hearing date Nov 12 am.  
Accompanied H. 6873.
  
- H 6842 - Bill relative to regulating credit life insurance and credit accident health insurance.  
New draft of H. 1185, Reported favorably.  
Substituted by H. 7026 in Third Reading.
  
- H 6865 - Order relative to authorizing the Committee on Insurance to make an investigation and study of certain House documents concerning motor vehicle insurance.  
Reported favorably.  
Referred to House Ways and Means.

- H 6873 - Order relative to authorizing the Committee on Insurance to make an investigation and study of a certain House document providing for the reduction of compulsory motor vehicle insurance rates as a result of the mandatory seat belt law.  
Accompanied H. 6833.  
Reported favorably; referred to House Ways and Means.
- H 6881 - Petition of Francis H. Woodward and Linda J. Melconian for legislation to extend the Medical Malpractice Insurance Joint Underwriting Association.  
Reported favorably.  
Signed by the Governor, Chapter 650 Acts.
- H 6886 - Bill relative to investment practices of life insurance companies.  
Substituted for S. 1052 and S. 1054.  
Signed by the Governor, Chapter 745 Acts.
- H 6896 - Bill relative to the replacement of life insurance.  
New draft of H. 1194.  
Ordered to at Third Reading.
- H 6905 - Petition of James G. Collins (by vote of the town) that the town of Amherst be authorized to establish a "municipal liability insurance fund".  
Hearing date Dec 16 am.  
Report Favorably; referred to Senate Steering and Policy.
- H 6934 - Bill relative to the insurance coverage of early intervention services.  
New draft substituted for H. 1009.  
Ordered to a Third Reading.
- H 6936 - Petition of Lawrence R. Alexander and Walter J. Boverini for legislation to authorize the Marblehead Police Relief Association to pay certain benefits to its members upon retirement.  
Hearing date Dec 16 am.  
Favorable report; ordered to a Third Reading.
- H 6937 - Petition of Robert F. Jakubowicz for an investigation by a special commission (including members of the General Court) relative to all aspects of liability insurance in the Commonwealth.  
Hearing date Dec 16 am.  
Favorable report; referred to House Ways and Means.
- H 6961 - Bill regulating governmental units pooled insurance.  
New draft of H. 642.  
Signed by the Governor, Chapter 802 Acts.
- H 6978 - Order authorizing the Committee on Insurance to make an investigation and study relative to House document 5946, An Act prohibiting interest rates on certain motor vehicle insurance policies.

- H 6982 - Petition of Roger R. Goyette and William B. Golden for legislation to maintain availability of insurance in the marketplace.  
Ought NOT to Pass (Under Joint Rule 10).
- H 6983 - Petition of Roger R. Goyette and William B. Golden relative to pollution liability insurance.  
Ought NOT to Pass (Under Joint Rule 10).
- H 7026 - Bill relative to regulating credit life insurance and credit accident health insurance.  
New draft for H. 6842.  
Referred to Senate Steering and Policy.
- H 7027 - Bill relative to certain medical malpractice causes of action.  
New draft for H. 6809.  
Signed by the Governor, Chapter 671 Acts.
- H 7031 - Order relative to authorizing the Committee on Insurance to make an investigation and study of a certain House document concerning medical malpractice insurance.  
Favorable report.  
Referred to Joint Rules - no report.











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